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OF THE

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SESSION 1912-13

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Fifth Census of Canada, 1911—Manufactures for 1910 as enumerated in June, 1911.

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1. Report of the Auditor General for the year ended 31st March, 1912 Volume 1, Parts A to J. Volume II, Parts K to U. Volume III, Parts V to Y. Presented by Hon. Mr. White, 14th January, 1913.

Printed for distribution and sessional papers.

CONTENTS OF VOLUME 2.

2. The Public Accounts of Canada, for the fiscal year ended 31st March, 1912. Presented by Hon. Mr. White, 26th November, 1912.

Printed for distribution and sessional papers.

3. Estimates of sums required for the service of the Dominion for the year ending 31st March, 1914. Presented by Hon. Mr. White, 3rd February, 1913.

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4. Supplementary Estimates of sums required for the service of the Dominion for the year ending on the 31st March, 1913. Presented by Hon. Mr. White, 10th March, 1913.

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5. Supplementary Estimates of sums required for the service of the Dominion for the year ending on 31st March, 1914. Presented by Hon. Mr. White, 20th May, 1913.

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6. List of Shareholders in the Chartered Banks of the Dominion of Canada as on December 31, 1911. Presented by Hon. Mr. White, 26th November, 1912.

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7. Report on dividends remaining unpaid, unclaimed balances and unpaid drafts and bills of exchange in Chartered Banks of the Dominion of Canada, for five years and upwards prior to 31st December, 1911. Presented by Hon. Mr. White, 26th November, 1912.

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8. Report of the Superintendent of Insurance for year ended 1912. Presented by Hon. Mr. White.. .. ..*Printed for distribution nd sessional papers.*

9. Abstract of Statements of Insurance Companies in Canada for the year ended 1912. Presented by Hon. Mr. White.. .. .. ..*Printed for distribution and sessional papers.*

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10. Report of the Department of Trade and Commerce for the fiscal year ended 31st March, 1912. (Part I.—Canadian Trade). Presented by Hon. Mr. Foster, 30th January, 1913. *Printed for distribution and sessional papers.*

10*a*. Report of the Department of Trade and Commerce, for the year ended 31st March, 1912. (Part II.—Canadian Trade with (1) France, (2) Germany, (3) United Kingdom, and (4) United States). Presented by Hon. Mr. Foster, 12th December, 1912. *Printed for distribution and sessional papers*

10*b*. Report of the Department of Trade and Commerce for the fiscal year ended 31st March, 1912. (Part III.—Canadian Trade with Foreign Countries, except France, Germany, the United Kingdom and United States). Presented by Hon. Mr. Foster, 15th January, 1913.. .. ..*Printed for distribution and sessional papers.*

10*c*. Report of the Department of Trade and Commerce, for the fiscal year ended 31st March, 1912. (Part IV.—Miscellaneous Information). Presented by Hon. Mr. Reid, 17th February, 1913.. ... .*Printed for distribution and sessional papers.*

10*d*. Report of the Board of Grain Commisioners for Canada. Presented by Hon. Mr. Foster, 3rd February, 1913.. .. ..*Printed for distribution and sessional papers.*

10*e*. Report of the Department of Trade and Commerce for the fiscal year ended 31st March 1912. (Part VI.—Subsidized Steamship Services). Presented, 1913. *Printed for distribution and sessional papers.*

10*f*. Report of Trade and Commerce for fiscal year ended 31st March, 1912. (Part VII.—Trade of Foreign Countries, Treaties and Conventions). Presented, 1913. *Printed for distribution and sessional papers*

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11. Report of the Department of Customs for the year ended 31st March, 1912. Presented by Hon. Mr. Reid, 28th November, 1912—*Printed for distribution and sessional papers,*

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13. Report of the Department of Inland Revenue for year ended 31st March, 1912. (Part II.—Inspection of Weights and Measures, Gas and Electricity). Presented by Hon. Mr. Nantel, 25th November, 1912.. .. ..*Printed for distribution and sessional papers.*

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16. Report of the Director and Officers of the Experimental Farms for the year ending 31st March, 1912. Presented by Hon. Mr. Burrell, 14th January, 1913.
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17. Criminal Statistics for the year ended 30th September, 1911, (Appendix of the Report of the Minister of Agriculture, for the year 1911). Presented by Hon. Mr. Borden, 2nd June, 1913... .. ..*Printed for distribution and sessional papers.*

18. Return of the Twelfth General Election for the House of Commons of Canada, held on the 14th and 21st of September, 1911. Presented by Hon. The Speaker, 27th November, 1912.. .. ..*Printed for distribution and sessional papers.*

18*a*. Return of By-Elections (Twelfth Parliament) for the House of Commons of Canada, held during the year 1912. Presented by Hon. The Speaker, 10th March, 1913.
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19. Report of the Minister of Public Works on the works under his control for the fiscal period ended 31st March, 1912. Part I. Presented by Hon. Mr. Rogers, 4th December, 1912. Part II. Ottawa River Storage and Geodetic Levelling.
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20*e*. Express Statistics of the Dominion of Canada, for the year ended 30th June, 1912. Presented by Hon. Mr. Cochrane, 12th February, 1913.
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21*c*. Supplement to Forty-fifth Report of the Department of Marine and Fisheries, for fiscal year 1911-12,—Marine Branch—Influence of Icebergs and Land on the temperature of the Sea. Presented by Hon. Mr. Hazen, 17th February, 1913.
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22. Forty-fifth Annual Report of the Department of Marine and Fisheries, 1912,—Fisheries. Presented by Hon. Mr. Hazen, 5th December, 1912.
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30. The Civil Service List of Canada, 1912. Presented by Hon. Mr. Coderre, 3rd December, 1912.. .. ..*Printed for distribution and sessional papers.*

31. Fourth Annual Report of the Civil Service Commission of Canada for the period from 1st September, 1911, to 31st August, 1912. Presented by Hon. Mr. Coderre, 24th January, 1913.. .. ..*Printed for distribution and sessional papers.*

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34. Report of the Minister of Justice as to Penitentiaries of Canada, for the fiscal year ended 31st March, 1912. Presented by Hon. Mr. Doherty, 27th November, 1912.
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35. Report of the Militia Council for the fiscal year ending 31st March, 1913. Presented by Hon. Mr. Hughes, 14th January, 1913. ..*Printed for distribution and sessional papers.*

36. Report of the Department of Labour for the fiscal year ending 31st March, 1912. Presented by Hon. Mr. Crothers, 28th November, 1912.
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36a. Fifth Report of the Registrar of Boards of Conciliation and Investigation of the proceedings under "The Industrial Disputes Investigation Act, 1907," for the fiscal year ending 31st March, 1912. Presented by Hon. Mr. Crothers, 28th November, 1912.
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38. Report of the Department of the Naval Service, for the fiscal year ending 31st March, 1912. Presented by Hon. Mr. Hazen, 28th November, 1912.
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39. "Miscellaneous Unforeseen Expenses," from the 1st April, to the 21st November, 1912, in accordance with the Appropriation Act of 1912. Presented by Hon. Mr. White, 25th November, 1912... .. ..*Not printed*

40. Statement of Treasury Board over-rulings, under Section 44, Consolidated Revenue and Audit Act. Presented by Hon. Mr. White, 26th November, 1912... .. ..*Not printed.*

41. Statement in pursuance of Section 17 of the Civil Service Insurance Act, for the year ending 31st March, 1912. Presented by Hon. Mr. White, 26th November, 1912.
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42. Statement of Receipts and Expenditures of the Ottawa Improvement Commission to 31st March, 1912. Presented by Hon. Mr. White, 26th November, 1912.....*Not printed*

43. Statement of Governor General's Warrants issued since the last Session of Parliament on account of 1912-13. Presented by Hon. Mr. White, 26th November, 1912.
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44. Statement of Superannuation and Retiring Allowances in the Civil Service during the year ending 31st December, 1912, showing name, rank, salary, service, allowance and cause of retirement of each person superannuated or retired, also whether vacancy is filled by promotion or by appointment, and salary of any new appointee. Presented by Hon. Mr. White, 26th November, 1912.. .. ..*Not printed*

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45*a*. Return to lands sold by the Canadian Pacific Railway Company during the year which ended on the 1st October, 1912. Presented by Hon. Mr. Roche, 14th January, 1913.. .. ..*Not printed*

45*b*. Return to an Address to His Royal Highness the Governor General of the 27th January, 1913, for a copy of all applications made by the Canadian Pacific Railway Company for authorization to make new issue of stock, addressed to the Governor in Council, and of all correspondence with regard to the same. Presented 16th April, 1913, by Sir Wilfrid Laurier.. .. ..*Not printed*

46. Return to an Order of the House of the 18th March, 1912, for a copy of all reports made by the Inspector of Agents for placing Immigrants, both domestic servants and farm labourers, in Ontario and Quebec, during the years 1910 and 1911. Presented 27th November, 1912, by Mr. Sutherland.. .. ..*Not printed.*

47. Return to an Order of the House of the 11th March, 1912, for a copy of all letters, telegrams and other papers in connection with complaints of whatever nature against Commission Agents for placing farm labourers in Ontario, also officials connected with any agency in Ontario, during the year 1910 and 1911. Presented 27th November, 1912 by Mr. Sutherland.. .. ..*Not printed*

48. Copy of Order in Council No. P. C. 1275, dated 13th May, 1912, "Award of compensation to men belonging to the Royal Canadian Navy, who may be permanently disabled though injuries or illness contracted during drill, training or on duty." Presented by Hon. Mr. Hazen, 27th November, 1912.. .. ..*Not printed.*

48*a*. Copies of plans included in the tender of Messrs. Cammel, Laird & Company, dated 29th April, 1911, for the construction of ships for the Canadian Naval Service. Presented by Hon. Mr. Hazen, 18th December, 1912.. .. ..*Not printed.*

48*b*. An Act respecting the Naval Service of Canada." (Copy of Order in Council, No. P. C. 126 dated 20th January, 1913, "Amendment to the Regulations for the Entry of Naval Cadets)." Presented by Hon. Mr. Hazen, 4th February, 1913.. ..*Not printed.*

49. Regulations under "The Destructive Insect and Pest Act." Presented by Hon. Mr. Burrell, 28th November, 1912.. .. ..*Not printed.*

50. Statement of the affairs of the Royal Society of Canada, for the year ended 30th April, 1912. Presented by Hon. Mr. White, 29th November, 1912.. .. ..*Not printed.*

51. Ordinances of the Yukon Territory passed by the Yukon Council in the year 1912. Presented by Hon. Mr. Coderre, 3rd December, 1913.. .. ..*Not printed*

52. Return of Orders in Council which have been published in the *Canada Gazette*, between 1st August, 1911, and 30th September, 1912, in accordance with the provisions of Section 77 of the Dominion Lands Act, Chapter 20 of the Statutes of Canada, 1908. Presented by Hon. Mr. Roche, 5th December, 1912.. .. ..*Not printed.*

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52*a*. Return of Orders in Council passed between the 1st August, 1911, and 30th September, 1912, in accordance with the provisions of Section 5 of the Dominion Land Survey Act, Chapter 21, 7-8 Edward VII. Presented 5th December, 1912, by Hon. Mr. Roche. *Not printed.*

52*b*. Return of Orders in Council which have been passed and published in the *Canada Gazette* and in the British Columbia *Gazette*, between 1st August, 1911, and 30th September, 1912, in accordance with provisions of Subsection (*d*) of Section 38 of the regulations for the survey, administration, disposal and management of Dominion Lands within the 40-mile Railway Belt in the Province of British Columbia. Presented by Hon. Mr. Roche, 5th December, 1912.. .. ..*Not printed*

52*c*. Return to an Order of the House of the 24th February, 1913, for a copy of all regulations issued by the Minister of the Interior, relating to the disposition of Dominion lands between 8th April, 1905, and 12th October, 1911. Presented by Hon. Mr. Roche, 25th March, 1913.. .. ..*Not printed.*

53. A detailed statement of all bonds or securities registered in the Department of the Secretary of State of Canada, since last return (28th November, 1911) submitted to the Parliament of Canada under Section 32 of Chapter 19, of the Revised Statutes of Canada, 1906. Presented by Hon. Mr. Coderre, 4th December, 1912.. .. ..*Not printed.*

54. Annual Return respecting Trade Unions under Chapter 125, R.S.C., 1906. Presented by Hon. Mr. Coderre, 4th December, 1912... .. ..*Not printed.*

55. Deliberation of the Canada-West Indies Conference, and Agreement between Canada and certain of the West India Colonies. Presented by Hon. Mr. Foster, 4th December, 1912.. .. ..*Printed for distribution and sessional papers*

56. Orders in Council passed between the 1st August, 1911, and 30th September, 1912, in accordance with the provisions of the Rocky Mountains Park Act, Chapter 60, Revised Statutes of Canada, 1906. Presented by Hon. Mr. Rogers, 4th December, 1912. *Not printed.*

56*a*. Return of Orders in Council passed between the 1st August, 1911, and 30th September, 1912, in accordance with the provisions of the Forest Reserves and Park Act, Section 19, of Chapter 10, 1-2 George V. Presented by Hon. Mr. Roche, 5th December, 1912. *Not printed.*

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57. Report of the Public Service Commission. Presented by Hon. Mr. Borden, 9th December, 1912. Parts I, II, and III.. .. .. ..*Printed for distribution and sessional papers.*

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57*a*. Report on the organization of the Public Service of Canada, by Sir George Murray. Presented by Hon. Mr. Borden, 18th December, 1912. *Printed for distribution and sessional papers.*

58. Report of the proceedings for the preceding year of the Commissioners of Internal Economy of the House of Commons, pursuant to Rule 9. Presented by Hon. The Speaker, 9th December, 1912.. .. ..*Not printed.*

59. Schedules of Trade Transactions between the West Indies and Canada, the United States and the United Kingdom, compiled from the West Indian blue books and statistics. Presented by Hon. Mr. Foster, 12th December, 1912. *Printed for distribution and sessional papers.*

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59*a*. Trade Statistics of Imports and Exports in possession of the Government, *re* British West Indies. *(Senate)*.. .. ..*Not printed.*

60. Return showing correspondence concerning the calling for tenders for the Ships of War of Canada, together with copies of tenders. Presented by Hon. Mr. Hazen, 12th December, 1912.. .. ..*Not printed.*

61. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, telegrams, reports and documents relating to the dismissal of John R McDonald, Heatherton, Antigonish County, as Indian agent for the district including the Counties of Antigonish and Guysborough, and the appointment of his successor. Presented 4th January, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61*a*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Dr. C. P. Bissett, Physician to the Indians at Salmon River, Richmond County, N.S. Presented 14th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*b*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Michael Murphy, postmaster at Point Micheau, Richmond County, N.S. Presented 4th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*c*. Return to an Order of the House of the 9th December, 1912, for copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of David A. McLeod, Postmaster at Cleveland, Richmond County, N.S. Presented 14th January.—*Mr. Kyte*.. .. ..*Not printed.*

61*d*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, letters, complaints, telegrams, reports, and other documents in the possession of the Post Office Department relating to the dismissal of John Milward, Postmaster at Stormont, Guysborough County, N.S. Presented 14th January, 1913.—*Mr. Sinclair.*
Not printed.

61*e*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents, relating to the dismissal of Kenneth F. McAskill, Postmaster at Loch Lomond, Richmond County, N.S. Presented 14th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*f*. Return to an Address to His Royal Highness the Governor General of the 25th March, 1912, for a copy of all letters, telegrams, memorandums and Orders in Council, relating to the dismissal of Mr. W. W. Hayden, late wharfinger of the government wharf at Digby, Nova Scotia. Presented 14th January, 1913.—*Mr. MacLean (Halifax)*.
Not printed.

61*g*. Return to an Order of the House of the 11th December, 1912, for a copy of all complaints and charges made against W. B. Langley, assistant at Lobster Hatchery, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal and the appointment of a successor. Presented 14th January, 1913.—*Mr Sinclair*.. .. ..*Not printed.*

61*h*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Fred. E. Cox, engineer lobster hatchery at Isaac's Harbour, Guysborough County, N.S., and of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same. Presented 14th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*i*. Return to an Order of the House of the 11th December, 1912, for a copy of all complaints and charges made against Simon Hodgson, engineer lobster hatchery at Isaac's Harbour, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal and the appointment of a successor. Presented 14th January 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*j*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Henry Henlow, chief engineer at lobster hatchery at Canso, Guysborough County, N.S. Presented 14th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*k*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of H. C. V. LeVatte, harbour master at Louisburg, Cape Breton South, N.S., and of evidence taken and report of investigations held by H. P. Duchemin, in regard to the same. Presented 14th January, 1913.—*Mr. Carroll*.. .. ..*Not printed.*

61*l*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John Cummings, assistant at the lobster hatchery at Isaac's Harbour, Nova Scotia, and of evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 14th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*m*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of W. G. Matthews, coxswain, lifeboat crew at Canso, Guysborough County, N.S., and all evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 14th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*n*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relating to the dismissal of Joseph Shean, harbour master at North Sydney, N.S., in the riding of North Cape Breton and Victoria. Presented 14th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61*o*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents, relating to the dismissal of George H. Sampson, keeper of the storm signal at Lower L'Ardoise, Richmond County, N.S. Presented 14th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*p*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Alexis Vigneau, captain of the patrol boat at Arichat, Richmond County, N.S. Presented 14th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*q*. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, Orders in Council and all other papers or documents in any way relating to the dismissal of Emeri Thivierge, from the position of fisheries inspector for the Counties of Prescott and Russell. Presented 14th January, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61*r*. Return to an Order of the House of the 9th December, 1912, for a return showing all the public officers of the Inland Revenue Department in the County of St. Jean Iberville, removed by the present Government since 1st May, 1912, together with the names and duties of such persons, the reasons of their dismissal, the nature of the

CONTENTS OF VOLUME 27—*Continued.*

complaints against them, the names of the persons who brought these complaints; also a copy of all correspondence relating thereto, and of the reports of inquiries in the cases where such have been held. Presented 14th January, 1913.—*Mr. Demers.*

Not printed.

61*s*. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, complaints, petitions, memoranda, notes of evidence, reports of investigations and other documents in the possession of the Department of Inland Revenue regarding the dismissal of J. Fabien Bugeaud, Bonaventure, Quebec, assistant inspector of weights and measures in the Quebec district, and the appointment of his successor or successors, with the names, residence, salaries and duties; also of all documents relating to A. B. Caldwell, New Carlisle, Quebec, joint assistant inspector with J. Fabien Bugeaud, and the duties assigned to him, together with a copy of all recommendations for said new appointment. Presented 14th January, 1913.—*Mr. Marcil (Bonaventure)*.. .. ..*Not printed.*

61*t*. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, Orders in Council and all other papers or documents in any way relating to the dismissal of Duncan McArthur, from the Annuities Branch, while the said branch was attached to the Department of Trade and Commerce. Presented 15th January, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61*u*. Return to an Order of the House of the 26th February, 1912, for a copy of all documents, letters, requests, reports, recommendations and evidence taken under investigation by Dr. Shentliff, relating to the dismissal of Charles O. Jones, postmaster of Bedford, County of Missisquoi. Presented 15th January, 1913.—*Mr. Kay.*

Not printed.

61*v*. Return to an Order of the House of the 1st April, 1912, for a copy of all letters, telegrams, complaints or other papers or documents in the possession of the Government or any department thereof, relating to the dismissal of Archibald Barss, postmaster, New Harbour, West, Guysborough County, N.S. Presented 15th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*w*. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, documents, recommendation and other reports respecting the dismissal of Dr. A. Allaire as surgeon of the penitentiary of St. Vincent de Paul, and also respecting the payments of his gratuities, superannuation or retiring allowance. Presented 15th January, 1913.—*Mr. Wilson (Laval)*.. .. ..*Not printed*

61*x*. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, documents, recommendations and reports respecting the dismissal of Oscar Beauchamp as warden of the penitentiary of St. Vincent de Paul, and also respecting the payments of his gratuities, superannuation or retiring allowance. Presented 15th January, 1913.—*Mr. Wilson (Laval)*.. .. ..*Not printed.*

61*y*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of John McDonald, freight handler and checker Intercolonial railway at Sydney Mines Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 16th January, 1913.—*Mr. Mackenzie*.. .. ..*Not printed.*

61*z*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents and reports relating to the dismissal of Allan Kinney, of Linwood, Antigonish County, Nova Scotia, a sectionman on the Intercolonial rail-

CONTENTS OF VOLUME 27—*Continued.*

way, and for a statement in detail of the expenses in connection with the investigation of the charges against him. Presented 16th January, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61*aa*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents and reports relating to the dismissal of Charles Landry, of Pomket, Antigonish county, Nova Scotia, a sectionman on the Intercolonial railway, and for a statement in detail of the expenses connected with the investigation of the charges against him. Presented 16th January, 1913.—*Mr. Chisholm (Antiginish)*.. .. ..*Not printed.*

61*bb*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, documents, reports, correspondence, &c., relating to the dismissal of Patrick Decoste, an employee on the ferry steamer *Scotia* between Mulgrave and Point Tupper on the Intercolonial railway. Presented 16th January, 1913.. .. ..*Not printed.*

61*cc*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Harry E. McDonald, assistant engineer at St. Peters Canal, Richmond County, N.S Presented 13th January, 1913.—*Mr. Kyte.*

61*dd*. Return to an order of the House of the 9th December, 1912, for a copy of all letters, papers, documents, telegrams, and charges relating to a complaint against Neil Ross sectionman on the Intercolonial railway at West River, County of Pictou, and of the evidence taken at the investigation, of the report of the commissioner thereon, and of all letters, papers or other documents relating to the appointment of his successor. Presented 16th January, 1913.—*Mr. Macdonald*.. .. ..*Not printed.*

61*ee*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents and reports relating to the dismissal of James Armstrong, of Heatherton, Antigonish County, N.S., a sectionman on the Intercolonial railway, and for a statement in detail of the expenses connected with the investigation of the charges against him. Presented 16th January, 1913.—*Mr. Chisholm (Antigonish)*. *Not printed.*

61*ff*. Return to an Order of the House of the 4th December, 1912, for a copy of all letters, telegrams and other documents, relating to the dismissal of Thomas J. Gray, as car inspector on the Intercolonial railway at Westville, County of Pictou. Presented 16th January, 1913.—*Mr. Macdonald*.. .. ..*Not printed.*

61*gg*. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, telegrams and reports relating to the dismissal of Colin Macdonald, of James River Station, County of Antigonish, as Intercolonial sectionman, and the appointment of his successor. Presented 16th January, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61*hh*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of A. T. Gannon, car repairer and inspector Intercolonial railway at North Sydney, Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 16th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*ii*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents, and reports relating to the dismissal of Huber Myatte, Tracadie, Antigonish County, Nova Scotia, a sectionman on the Intercolonial railway and for a statement in detail of the expenses connected with the investigation of the charges against him. Presented 16th January, 1913.—*Mr. Chisholm (Antigonish).*
Not printed.

61*jj*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents, and reports relating to the dismissal of John McDonnell, Afton Station, Antigonish County, Nova Scotia, a sectionman on the Intercolonial railway, and for a statement in detail of the expenses connected with the investigation of the charges against him. Presented 17th January, 1913.—*Mr. Chisholm (Antigonish)*.. .. .. .

CONTENTS OF VOLUME 27—*Continued.*

61*qq*. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, letters and telegrams relating to the dismissal of J. N. N. Poirier, collector of excise at Victoriaville, Quebec, and also of the inquiry made by N. Garceau, by the Minister of Inland Revenue, and especially of two affidavits given by Ludger Frechette and Joseph Faucher. Presented 17th January, 1913.—*Mr. Brouillard.* *Not printed.*

61*rr*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Abraham Astephen, of North Sydney, N.S., interpreter Immigration Department at North Sydney, N.S., in the riding of North Cape Breton and Victoria. Presented 17th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61*ss*. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, Orders in Council, and all other papers or documents in any way relating to the dismissal of Robert Dow from the Immigration Branch of the Department of the Interior at Ottawa. Presented 17th January, 1913. —*Mr. Murphy*.. .. ..*Not printed.*

61*tt*. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, correspondence, &c., relating to the dismissal of John Ware of the Immigration Branch of the Interior Department at Halifax, N.S. Presented 17th January, 1913.—*Mr. Maclean (Halifax)*.. .. ..*Not printed.*

61*uu*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Richard Hickey, agent Immigration Department at North Sydney, Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same, and a detailed statement of the expenses of such investigation. Presented 17th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61*vv*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges correspondence, letters, telegrams, and other documents relative to the dismissal of Dr. J. W. McLean, of North Sydney, N.S., medical examiner, Immigration Department at North Sydney, N.S., in the riding of North Cape Breton and Victoria. Presented 17th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61*ww*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John A. McRea, lightkeeper, at Margaree Island, Inverness County, Nova Scotia, of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 17th January, 1913.—*Mr. Chisholm (Inverness)*.. .. .. ..*Not printed.*

61*xx*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Thomas Brymer, lightkeeper at Lower L'Ardoise, Richmond County, N.S. Presented 17th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*yy*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Dominique Boudrot, buoy contractor, at Petit de Grat, Richmond County, N.S. Presented 17th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*zz*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents concerning the dismissal of Frederick F. Doucet, keeper of the lighthouse at the entrance of the harbour of Caraquet, County of Gloucester, and the nomination of his succesor. Presented 17th January, 1913.—*Mr. Turgeon*.. .. ..*Not printed.*

61*aaa*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of W. H. Henlow, keeper of storm drum, Liscomb, Guysborough County, N.S. Presented 17th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*bbb*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of David Falconer, lightkeeper at Cariboo Island, County of Pictou. Presented 17th January, 1913.—*Mr. Macdonald*.. .. ..*Not printed.*

61*bbb*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of M. Wilson Lawlor, harbour commissioner at North Sydney, Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 17th January, 1913.—*Mr. McKenzie.*

Not printed.

61*ddd*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of P. J. McDonald, harbour commissioner at North Sydney, Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 17th January, 1913.—*Mr. McKenzie.*

Not printed.

61*eee*. Return to an Order of the House of the 9th December, 1912, for a return showing: 1. The names of all lightkeepers in the Province of Nova Scotia who were dismissed from office or employment since 10th October, 1911, together with the date of each dismissal. Presented 17th January, 1913.—*Mr. Maclean (Halifax)*.. .. ..*Not printed.*

61*fff*. Return to an Order of the House of the 4th December, 1912, for a return showing the detail and number of dismissals from public offices in the Department of Marine and Fisheries to this date in the County of Bonaventure, the names of the dismissed occupants, the reasons for their dismissal, the complaints against such officials and a copy of all correspondence with respect to the same, and of all reports of investigations where such were held; as well as a list of the new appointments made by the department, with names, residences, salaries and duties, and a copy of all recommendations of such appointments. Presented 17th January, 1913.—*Mr. Marcil (Bonaventure).*

Not printed.

61*ggg*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of H. L. Tory, fishery officer at Guysborough, Guysborough County, N.S., and of all evidence taken, and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of the investigation. Presented 17th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*hhh*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents in the possession of the Department of Marine and Fisheries relating to the dismissal of John W. Davis, fishery officer, Guysborough, N.S. Presented 17th January, 1913.—*Mr. Sinclair.*

Not printed.

CONTENTS OF VOLUME 27—*Continued.*

61*jjj*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges correspondence, letters, telegrams and other documents relating to the dismissal of Martin Bourque, lightkeeper at River Bourgeois, Richmond County, N.S., and of the evidence taken and of the report of the investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 17th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*jjj*. Return to an Order of the House of the 4th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Frederick Poirier, buoy contractor, at Descouse, Richmond County, N.S. Presented 17th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*kkk*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers. letters, telegrams and petitions for and against the dismissal of Dr. George Pinault, as medical health officer of the Mic-Mac Indian reserve, at Ste. Anne de Restigouche, Bonaventure County, Quebec, and of all documents relating to the appointment of a successor, with the name, residence, salary and duties of the new appointee. Presented 20th January, 1913.—*Mr. Marcil*.. .. ..*Not printed.*

61*lll*. Return to an Order of the House of the 1st April, 1912, for a copy of all papers, letters, &c., concerning the dismissal of Frederick Veit, employed by the Department of Marine and Fisheries in the County of Gaspé. Presented 20th January, 1913.—*Mr. Lemieux*.. .. ..*Not printed.*

61*mmm*. Return to an Order of the House of the 1st April, 1912, for a copy of all letters. petitions, complaints, declarations and other documents in the possession of the Department of Marine and Fisheries, relating to the dismissal of Mr. Alfred Lalonde, employed in the warehouse of the Government yards at St. Joseph de Sorel and the appointment of his successor. Presented 20th January, 1913.—*Mr. Cardin*..*Not printed.*

61*nnn*. Return to an Order of the House of the 1st April, 1912, for a copy of all letters telegrams, complaints or other papers or documents in the possession of the Government or any department thereof, relating to the dismissal of James Webber, lightkeeper, Tor Bay Point, N.S. Presented 20th January, 1913.—*Mr. Sinclair.*
Not printed.

61*ooo*. Return to an Order of the House of the 1st April, 1912, for a copy of all documents letters, inquiries, reports, evidence, &c., relating to the dismissal or the resignation of Baptiste Desjardins as lighthouse keeper at Kamouraska. Presented 20th January, 1913.—*Mr. Lapointe (Kamouraska)*.. .. ..*Not printed.*

61*ppp*. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, letters, telegrams and other documents relating to the dismissal of Angus Smith, pilot on the steamer *Earl Grey*, and also of all the evidence taken at the latest investigation held in regard to the said complaints, and of the report of the investigation with regard to the same. Presented 20th January, 1913—*Mr. Macdonald.*
Not printed.

61*qqq*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Michael J. Sampson, lightkeeper at Lower L'Ardoise, Richmond County, N.S. Presented 20th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*rrr*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of William Hackett, harbour commissioner at North Sydney, Nova Scotia, in the riding

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of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin in regard to same, and a detailed statement of the expenses of such investigation. Presented 20th January, 1913.—*Mr. McKenzie.*

Not printed.

61*sss*. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence and other documents in the possession of the Department of Marine and Fisheries relating to the dismissal of Hormidas Lacasse, as wharfinger on the government wharf at Wendover, County of Prescott, Ontario, and the appointment of his successor. Presented 20th January, 1913.—*Mr. Proulx*.. .. ..*Not printed.*

61*ttt*. Return to an Order of the House of the 9th December, 1912, for a copy of all documents, papers, evidence and correspondence, relating to the dismissal of Geoffrey Gorman, coxswain of the lifeboat station at Herring Cove, Halifax County, N.S. Presented 20th January, 1913.—*Mr. Maclean (Halifax)*.. .. .. *Not printed.*

61*uuu*. Return to an Order of the House of the 10th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Captain George Wetmore, harbour master at Yarmouth, Yarmouth County, N.S., and the same information regarding the appointment of Captain Wetmore's successor, and of all evidence taken and report of investigation held by Charles Lane in regard to the same, also a detailed statement of expenses of such investigation. Presented 20th January, 1913.—*Mr. Law*.. .. ..*Not printed.*

61*vvv*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Stanley Henlow, lightkeeper at Liscomb, Guysborough County, N.S., and of evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 20th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*www*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of H. C. V. LeVatte, fishery officer at Louisburg, Cape Breton South, N.S., and of the evidence taken and reports of investigations held by H. P. Duchemin, in regard to the same. Presented 20th January, 1913.—*Mr. Carroll*.. .. ..*Not printed.*

61*xxx*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Elias M. Boudrot, keeper of storm signal at Petit de Grat, Richmond County N.S., and of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 20th January, 1913.—*Mr Kyte*.. .. ..*Not printed.*

61*yyy*. Return to an Order of the House of the 10th December, 1912, for a return of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of A. B. Cox, Superintendent of Reduction Works at Canso, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 20th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*zzz*. Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against Jeffrey Crespo, sub-collector of Customs at Harbour au Bouche, Antigonish County, Nova Scotia, and of all letters, telegrams, correspondence and reports relating in any way to his dismissal and the appointment of a successor. Presented 20th January, 1913.—*Mr. Chisholm (Antigonish)*.

Not printed.

CONTENTS OF VOLUME 27—*Continued.*

61*aaaa*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, papers, charges and correspondence between the Department of Customs and all other persons regarding the dismissal from office of Thomas Cameron, preventive officer at Andover, N.B., and also of all evidence and reports thereon with reference to the dismissal of the said officer. Presented 20th January, 1913.—*Mr. Michaud.*
Not printed.

61*bbbb*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of L. W. Pye, customs officer at Liscomb, Guysborough County, N.S., and of all evidence taken and reports of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 20th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*cccc*. Return to an Order of the House of the 9th December, 1912, for a copy of all complaints, accusations, inquiries, reports, correspondence, and of all documents relating to the dismissal of Lucien O. Thisdale, a customs employee at Valleyfield, Quebec, and the appointment of his successor. Presented 20th January, 1913.—*Mr. Papineau.*
Not printed.

61*dddd*. Return to an Order of the House of the 11th December, 1912, for a copy of all letters, telegrams, correspondence, reports, and other documents relating to the dismissal of Alexander Macdonald of Doctor's Brook, Antigonish County, as sub-collector of customs. Presented 20th January, 1913.—*Mr. Chisholm (Antigonish).*
Not printed.

61*eeee*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Henry Cann, customs official and preventive officer at North Sydney, Nova Scotia, in the riding of North Cape Breton and Victoria. Presented 20th January, 1913.—*Mr. McKenzie*.. .. ..*Not printed*

61*ffff*. Return to an Order of the House of the 10th December, 1912, for a copy of all documents concerning the dismissal of Charles Mennier, customs preventive officer at Marieville, Quebec. Presented 20th January, 1913.—*Mr. Lemieux*.. .. ..*Not printed.*

61*gggg*. Return to an Order of the House of the 5th December, 1912, for a copy of all charges, correspondence, letters, telegrams, instructions, minutes of evidence taken and had on any inquiry investigation had, held or taken, and of all other papers and documents relating to the dismissal of George H. Cochrane, Collector of Customs at the Port of Moncton, New Brunswick; together with a copy of all letters and other correspondence between the Honourable Minister of Customs, and the member representing the County of Westmorland, New Brunswick, in this House, and of all letters, papers, telegrams, recommendations, appointments, or other papers and documents relating to the appointment of a collector of customs to succeed the said George H. Cochrane. Presented 20th January, 1913.—*Mr Emmerson*.. .. ..*Not printed.*

61*hhhh*. Return to an Order of the House of the 22nd January, 1912, for a copy of all correspondence, documents, recommendations and reports respecting the dismissal of C Michaud, postmaster at St. Germain, Kamouraska, and the appointment of his successor. Presented 20th January, 1913.—*Mr. Lapointe (Kamouraska)*.. ..*Not printed.*

61*iiii*. Return to an Order of the House of the 25th March, 1912, for a copy of all letters, telegrams and other documents, and of all complaints or accusations relating in any manner to the dismissal of Mr. Emile Archambault, letter carrier of Montreal, and a copy of the inquiry, and of the report of the inquiry held. Presented 20th January, 1913.—*Mr. Seguin*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*jjjj*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Norman Morrison, postmaster at Ferguson's Lake, Richmond County, N.S. Presented 21st January, 1913.—*Mr. Kyte*.. .. .. *Not printed.*

61*kkkk*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of D. J. McKillop, postmaster at McKillop, Richmond County, N.S. Presented 21st January, 1913.—*Mr. Kyte*.. .. .. *Not printed.*

61*llll*. Return to an Order of the House of the 22nd January, 1912, for a copy of all correspondence, papers and reports in connection with the investigation recently held at the Ste. Agathe post office, County of Terrebonne. Presented 21st January, 1913.—*Mr. Lemieux*.. .. .. *Not printed.*

61*mmmm*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Bertie Boudrot, lightkeeper at Poulamon, Richmond County, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation, and a copy of all papers relating to the appointment of his successor. Presented 22nd January, 1913.—*Mr. Kyte*.. .. .. *Not printed.*

61*nnnn*. Return to an Order of the House of the 1st April, 1912, for a copy of all letters, telegrams and other documents and of all complaints, accusations and requests for inquiry, relating in any manner to the lighthouse keepers of Repentigny, P.Q., Messrs. Leon Rivest, J. B. Lachapelle and Louis Dubois, since 21st September last; also a copy of the inquiry and the report of the inquiry held in the matter. Presented 22nd January, 1913.—*Mr. Seguin*.. .. .. *Not printed.*

61*oooo*. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, telegrams, letters, &c., relating to the dismissal of L. P. Carignan, forest ranger in the constituency of Champlain, Quebec. Presented 24th January, 1913.—*Mr. Maclean (Halifax)*.. .. .. *Not printed.*

61*pppp*. Return to an Order of the House of the 5th December, 1912, for a copy of all correspondence, complaints, petitions, memoranda, notes of evidence, letters, reports of investigations and other documents in the possession of the Department of Customs, relating to the dismissal of James S. Harvey, preventive officer, New Richmond, Quebec; W. L. Kempffer, preventive officer at Paspebiac, Quebec; J. Herbert Sweetman, preventive officer at Port Daniel, Quebec; J. B. Le Blanc, preventive officer, at Carleton, Quebec; J. Nadeau, preventive officer, Nouvelle, Quebec, as well as a copy of all recommendations made regarding the appointment of their various successors and the names, salaries, duties and residences, with a copy of their instructions. Presented 24th January, 1913.—*Mr. Marcil*.. .. .. *Not printed.*

61*qqqq*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of William Marsh, preventive officer at Little Pond, Sydney Mines, in the riding of North Cape Breton and Victoria. Presented 24th January, 1913.—*Mr. McKenzie*. *Not printed.*

61*rrrr*. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, letters, telegrams, and petitions, for and against the dismissal of Duncan McDonald, preventive officer of customs at Athelstan, County of Huntingdon; also a copy of the report of investigation and evidence submitted to investigating commissioner. Presented 24th January, 1913.—*Mr. Robb*.. .. .. *Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*ssss.* Return to an Address to His Royal Highness the Governor General of the 11th December, 1912, for a copy of all papers, documents, orders in council, telegrams, letters, &c., relating to the dismissal from office of Lemuel Bent, late Collector of Customs at Oxford, N.S. Presented 24th January 1913.—*Mr. Maclean (Halifax).* *Not printed.*

61*tttt.* Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Pascal Poirier, Collector of Customs at Descouse, Richmond County, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 24th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*uuuu.* Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, letters, telegrams, reports and other documents concerning the dismissal of Donald J. Hachey, Collector of Customs at Bathurst, County of Gloucester, and the appointment of his successor. Presented 24th January, 1913.—*Mr. Turgeon.* *Not printed.*

61*vvvv.* Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, orders in council, and all other papers or documents in any way relating to the dismissal of John Maher, from the service of the Customs Department at Montreal. Presented 24th January, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61*wwww.* Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Peter Fougère, preventive and customs officer at Petit de Grat, Richmond county, N.S., and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same, and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 24th January, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61*xxxx.* Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of James Grantmyre, preventive officer at Little Bras D'or, N.S., in the riding of North Cape Breton and Victoria. Presented 24th January, 1913.—*Mr. McKenzie.* *Not printed.*

61*yyyy.* Return to an Order of the House of the 15th January, 1913, for a return showing all the employees on the Soulanges Canal who have been dismissed from their duties since the 21st September, 1911, by whom each of these employees has been replaced, and for what causes were they dismissed. Presented 27th January 1913.—*Mr. Boyer*.. .. ..*Not printed.*

61*zzzz.* Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Andrew Melville, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Proulx*.. .. ..*Not printed.*

61*aaaaa.* Return to an Order of the House of 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of George Short, canal bridgetender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Guthrie*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*bbbbb*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of N. Broderick, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. McMillan*.. .. ..*Not printed.*

61*ccccc*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Thomas McLatchie, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Graham*.. .. ..*Not printed.*

61*ddddd*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Elgin McLaughlin, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Emmerson*.. .. ..*Not printed.*

61*eeeee*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Robert Robertson, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Lemieux*.. .. ..*Not printed.*

61*fffff*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of William L. Gladstone, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Pugsley*.. .. ..*Not printed.*

61*ggggg*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Byron VanCamp, locktender at Cardinal, Ontario. Presented 7th January, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61*hhhhh*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Samuel English, canal bridge tender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

61*iiiii*. Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Edward F. Moran, locktender at Cardinal, Ontario. Presented 27th January, 1913.—*Mr. Oliver*.. .. ..*Not printed.*

67*jjjjj*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters correspondence, documents and reports relating to the dismissal of William R. Fougere, of Frankville, Antigonish County, N.S., a sectionman on the Intercolonial rail way, and for a statement in detail of the expenses connected with the investigations of the charges against him. Presented 27th January, 1913.—*Mr. Chisholm (Antigonish)*. *Not printed.*

61*kkkkk*. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents and reports relating to the dismissal of John Melanson, of Afton, Antigonish County, N.S., a sectionman on the Intercolonial railway, and for a statement in detail of the expenses connected with the investigation of the charges against him. Presented 27th January, 1913.—*Mr. Chisholm (Antigonish)*. *Not printed.*

61*lllll*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Ronald D. McDonald, fishery overseer, at Broad Cove, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 27th January, 1913.—*Mr. Chisholm (Inverness)*. *Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*mmmmm*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John McLean, fishery officer at Gabarouse, Cape Breton South, N.S., and of evidence taken and reports of investigations held by H. P. Duchemin, in regard to the same. Presented 27th January, 1913.—*Mr. Carroll*.. .. ..*Not printed.*

61*nnnnn*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of A. R. Forbes, fishery overseer at North Sydney, Nova Scotia in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 27th January, 1913.—*Mr. McKenzie.* *Not printed.*

61*ooooo*. Return to an Order of the House of the 15th January, 1913, for a copy of all correspondence, letters, telegrams, complaints, petitions, and other documents concerning the dismissal of Sebastien Savoie, superintendent of the lobster hatchery at Shippigan, Gloucester County, N.B., and the appointment of his successor. Presented 27th January, 1913.—*Mr. Turgeon*.. .. ..*Not printed.*

61*ppppp*. Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of D. S. Hendsbee, weigher, reduction works, Canso, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 27th January, 1913.—*Mr. Sinclair*.. .. ..*Not printed.*

61*qqqqq*. Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of M. Muce, lightkeeper at Cheticamp Island, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 29th January, 1913.—*Mr. Chisholm (Inverness)*.. .. .. ..*Not printed.*

61*rrrrr*. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Dr. J. D. R. Williams, collector of canal tolls at Cardinal, Ontario, and of the appointment of his successor. Presented 30th January, 1913.—*Mr. McMillan*.. .. ..*Not printed.*

61*sssss*. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of John W. Bohan, preventive officer at Bath, Carleton County, N.B. Presented 3rd February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

61*ttttt*. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, documents, correspondence, &c., relating to the dismissal of J. V. Smith, sub-collector of customs at Wood's Harbour, Shelburne County, N.S. Presented 3rd February, 1913. —*Mr. Law*.. .. ..*Not printed.*

61*uuuuu*. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of John Y. Fleming, customs officer at Debec, Carleton County, N.B. Presented 3rd February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

61*vvvvv*. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Matthias Meagher, preventive officer at Debec, Carleton County, N.B. Presented 3rd February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61*wwwww*. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, letters, telegrams, complaints, and of the evidence given at investigation, if one was held, relating to the dismissal of Mr. A. J. Gosselin, acting preventive officer of customs at St. Albans, Vermont, through the port of St. Armand, County of Missisquoi. Presented 4th February, 1913.—*Mr. Kay*.. .. ..*Not printed.*

61*xxxxx*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, letters, telegrams, and petitions for and against the dismissal of James W. Bannon, preventive officer of customs at St. Agnes de Dundee, County of Huntingdon also a copy of the report of investigation and evidence, if any, submitted to investigating commissioner. Presented 4th February, 1913.—*Mr. Robb*.. .. ..*Not printed.*

61*yyyyy*. Return to an Order of the House of the 4th December, 1912, for a return showing the number of postmasters that have been dismissed in the County of Pictou since 1st October, 1911; the names of the postmasters who have been appointed to succeed them; the causes of the dismissals and all complaints and correspondence with respect to same, and of all reports of investigation where investigations have been held. Presented 4th February, 1913.—*Mr. Macdonald*.. .. ..*Not printed.*

61*zzzzz*. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, orders in council, and all other papers or documents in any way relating to the dismissal of James Murphy from the position of postmaster at Tweed, Ontario. Presented 4th February, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61 (6*a*). Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of H. B. Easton, immigration agent at Prescott, Ontario. Presented 4th February, 1913.—*Mr. Murphy*.. .. ..*Not printed.*

61 (6*b*). Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of B. Hughes, immigration agent at Prescott, Ontario. Presented 4th February, 1913.—*Mr. Oliver*.. .. ..*Not printed.*

61 (6*c*). Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of George Walsh, immigration agent at Prescott, Ontario. Presented 4th February, 1913.—*Mr. Oliver*.. .. ..*Not printed.*

61 (6*d*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Newton S. Dow, immigration agent at McAdam Junction, York County, N.B. Presented 4th February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

61 (6*e*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Oliver Hemphill, immigration agent at Debec, Carleton County, N.B. Presented 4th February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

61 (6*f*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Martin Johnston, preventive officer at Rea Islands, Richmond County, N.S Presented 6th February, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (6*g*). Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, letters, telegrams and other documents respecting the dismissal of J. E. Phaneuf, postmaster of St. Hugues, County of Bagot. Presented 6th February, 1913.—*Mr. Marcile*.. .. ..*Not printed*

61 (6*h*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Murdock McCutcheon, postmaster at Sonora, Guysborough County, N.S., and of all evidence taken and report of investigation held by Mr. H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 6th February, 1913.—*Mr. Sinclair*.. .. ..*Not printed*

61 (6*i*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Duncan Gillies, fishery overseer at Baddeck, C.B., in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 7th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (6*j*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints, accusations, correspondence, petitions and of all documents and reports respecting the dismissal of Antonio Leduc, postmaster of St. Timothée, in the County of Beauharnois and the appointment of his successor. Presented 7th February, 1913.—*Mr. Papineau*.. .. ..*Not printed.*

61 (6*k*). Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of the recommendation to council, the order in council, all correspondence with the government or any member thereof, and of all letters, documents and papers in any way connected with the dismissal of Charles Arthur Bowman from the engineering branch of the Department of Railways and Canals.—*Mr. Clark (Red Deer)*.. .. ..*Not printed.*

61 (6*l*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, evidence, reports, letters, correspondence, &c., relating to the dismissal of Elnathan D. Smith, fishery overseer, Shag Harbour, Shelburne County, N.S. Presented 11th February, 1913.—*Mr. Law*.. .. ..*Not printed.*

61 (6*m*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Donald McAulay, lightkeeper, Plaister, Baddeck Bay, C.B., riding of North Cape Breton and Victoria, and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation. Presented 11th February, 1913.—*Mr. McKenzie.*
Not printed.

61 (6*n*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, letters, correspondence, &c., relating to the dismissal of John Fredericks, lightkeeper at East Jordan, Shelburne County, N.S. Presented 11th February, 1913.—*Mr. Law*.. .. ..*Not printed.*

61 (6*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, letters, correspondence, &c., relating to the dismissal of John Fredericks, wharfinger at East Jordan, Shelburne County, N.S. Presented 11th February, 1913.—*Mr. Law*.. .. ..*Not printed*

CONTENTS OF VOLUME 27—*Continued.*

61 (6*p*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, letters, correspondence, &c., relating to the dismissal of John C Morrison, harbour master at Shelburne, N.S. Presented 11th February, 1913.—*Mr. Maclean (Halifax)*.. .. ..*Not printed.*

61 (6*q*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Captain Roderick McDonald, tide waiter, at Big Bras D'Or, riding of North Cape Breton and Victoria, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation. Presented 11th February, 1913.—*Mr. McKenzie.*
Not printed.

61 (6*r*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of James Maloney, customs officer at Dingwall, riding of North Cape Breton and Victoria, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation. Presented 11th February, 1913.—*Mr. McKenzie*.. .. .. ..*Not printed.*

61 (6*s*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Hugh D. McEachern, customs officer at north side East Bay, Cape Breton, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 11th February, 1913.—*Mr. McKenzie*.. .. ..

CONTENTS OF VOLUME 27—*Continued.*

61 (6*x*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, telegrams and other documents relative to the dismissal of Captain George Livingstone, custom officer at Big Bras D'Or, Cape Breton, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same and a detailed statement of the expenses of such investigation. Presented 11th February, 1913.—*Mr. McKenzie.*
Not printed.

61 (*y*). Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, reports and other documents and papers relating to the dismissal of H. Lacasse, as postmaster at Wendover, County of Prescott, Ontario, and the appointment of his successor. Presented 13th February, 1913.—*Mr. Proulx.. ..Not printed.*

61 (6*z*). Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence and other papers connected with the removal of Harry A. Drigg, from the position of postmaster at Grassey Lake, Alberta. Presented 13th February, 1913.—*Mr. Buchanan.. .. .. .

CONTENTS OF VOLUME 27—*Continued.*

61 (7*g*). Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, letters, telegrams, reports and other documents, respecting the removal of Joseph L. Robichaud, lighthouse keeper at Miscou, County of Gloucester and the appointment of his successor; also of all correspondence respecting the engagement of the engineer of fog alarm system attached to that station, and the certificates required by the Minister of Marine, showing the competence of that engineer; with the names of the new keeper and of the said engineer and their ages. Presented 19th February, 1913.—*Mr. Turgeon*.. .. ..*Not printed.*

61 (7*h*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Captain Pope as lighthouse keeper at Scatarie, Cape Breton South, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 19th February, 1913.—*Mr. Carroll*.. .. ..*Not printed*

61 (7*i*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Captain W. W. Lewis, as shipping master at Louisburg, Cape Breton South, Nova Scotia, and of evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 19th February, 1913.—*Mr. Carroll.*
Not printed.

61 (7*j*). Return to an Order of the House of the 4th December, 1912, for a return showing the names of postmasters that have been dismissed in the County of Bonaventure since 1st October, 1911; the names of the postmasters who have been appointed to succeed them; the causes of the dismissals and a copy of all complaints and correspondence with respect to same, and of all reports of investigations where such have been held, with the reasons given for not holding any such investigation, when not held. Presented 19th February, 1913.—*Mr. Marcil*.. .. ..*Not printed*

61 (7*k*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of George Hines, lighthouse keeper at South Ingonish, riding of North Cape Breton and Victoria, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same, and a detailed statement of the expenses of such investigation. Presented 20th February, 1913.—*Mr. McKenzie*..*Not printed.*

61 (7*l*). Return to an Order of the House of the 15th January, 1913, for a return showing a list of the lighthouse keepers removed by the present government in the County of Two Mountains, the names of such persons, the reasons for their dismissal, the nature of the complaints made against them; also a copy of all correspondence and petitions relating thereto, and reports of inquiries in the cases, where such have been held; and also the names of their successors. Presented 20th February, 1913.—*Mr. Ethier*.. .. ..*Not printed.*

61 (7*m*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Archibald McDonald, preventive officer at Mull River, Inverness County, Nova Scotia. Presented 20th February, 1913.—*Mr. Chisholm (Inverness)*..*Not printed.*

61 (7*n*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, correspondence on file referring to the dismissal of Donald Chisholm, of Tracadie, in the County of Antigonish, as preventive officer. Presented 20th February, 1913.—*Mr. Chisholm (Antigonish)*... .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (7*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, telegrams, reports and other documents relative to the dismissal of Edward C. Humphreys, of Trenton, N.S., as an officer of the Inland Revenue Department and to the appointment of his successor. Presented 20th February, 1913.—*Mr. Macdonald.* *Not printed.*

61 (7*p*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of H. J. Fixott, port physician at Arichat, Richmond County, N.S. Presented 21st February, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61 (7*q*). Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, letters, telegrams and other documents relating to the dismissal of D. Morin as postmaster of St. Pie de Bagot, County of Bagot. Presented 21st February, 1913.—*Mr. Marcil (Bagot)*.. .. ..*Not printed.*

61 (7*r*). Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, investigations and papers generally concerning the dismissal of Ernest Paquin, postmaster of St. Cecile de Levrard, County of Nicolet. Presented 21st February, 1913.—*Mr. Lemieux*.. .. ..*Not printed.*

61 (7*s*). Return to an Address to His Royal Highness the Governor General of the 17th February, 1913, for a copy of all complaints and charges made against John R. McDonald, Indian agent at Heatherton, Antigonish County, of the recommendations to council and of the order in council made thereon, and of all letters, correspondence, and documents connected in any way with his dismissal. Presented 25th February, 1913.—*Mr. Chisholm (Antigonish)*... .. ..*Not printed.*

61 (7*t*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Joseph Day, customs officer at Little Bras D'Or, C.B., in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 25th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (7*u*). Return to an Address to His Royal Highness the Governor General of the 29th January, 1913, for a copy of all complaints against Duncan McLeod, appraiser of customs at Sherbrooke, Province of Quebec, of all information obtained as to his conduct through seizures of goods by special officers of customs and by investigation; of all reports of investigation; of the order in council dismissing said Duncan McLeod; and of all correspondence between him and the Department of Customs. Presented 25th February, 1913.—*Mr. McCrae*.. .. ..*Not printed.*

61 (7*v*). Return to an Order of the House of the 17th February, 1913, for a copy of all papers, letters, telegrams, evidence, &c., given at the investigation or investigations and of reports of such investigations, relating to the dismissal of Edouard D Chiasson, sub-collector of customs at Lamèque, Gloucester County, and the appointment of his successor. Presented 25th February, 1913.—*Mr. Turgeon*.. ..*Not printed.*

61 (7*w*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of George F. Briggs, customs officer at McAdam Junction, York County, N.B. Presented 25th February, 1913.—*Mr. Carvell*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (7*x*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of William A. Duan, lightkeeper at Green Island, Richmond County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 25th February, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61 (7*y*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, charges, correspondence, letters, telegrams and other documents relating to the dismissal of Thomas Cameron, preventive officer at Andover, N.B., and of the evidence taken and reports of investigation held by Mr. E. T. C. Knowles, in connection with the same. Presented 26th February, 1913.—*Mr. Michaud*.. .. ..*Not printed.*

61 (7*z*). Return to an Order of the House of the 29th January, 1913, for a copy of all complaints and charges made against Joseph McDonald, late of the customs office at Sydney, Cape Breton, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal and the appointment of his successor. Presented 26th February, 1913.—*Mr. Carroll*.. .. ..*Not printed.*

61 (8*a*). Return to an Order of the House of the 29th January, 1913, for a copy of all complaints and charges made against Angus McGillivray, late of customs office at Glace Bay, Cape Breton South, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal and the appointment of his successor. Presented 26th February, 1913.—*Mr. Carroll*.. .. ..*Not printed.*

61 (8*b*). Return to an Order of the House of the 3rd February, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Roderick Bain, boatman at New Campbellton, riding of North Cape Breton and Victoria, N.S., and of the evidence taken and reports of the investigation held by H. P. Duchemin, in regard to same, with a detailed statement of expenses of such investigation. Presented 26th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (8*c*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of W. A. Scott, lockmaster at Cardinal, Ontario, and of the appointment of his successor. Presented 27th February, 1913.—*Mr. McMillan.*
Not printed.

61 (8*d*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Bert Johnson, lockman at Nicholson, Ontario. Presented 27th February, 1913.—*Mr. Turgeon*.. .. ..*Not printed.*

61 (8*e*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of John Merrifield, lockmaster at Burritts Rapids, Ont., and the appointment of his successor. Presented 27th February, 1913.—*Mr. Chisholm.*
Not printed.

61 (8*f*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Neil Cummings, lockmaster at Cardinal, Ontario, and of the appointment of his successor. Presented 27th February, 1913.—*Mr. McMillan*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (8*g*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, papers, charges and correspondence between the Department of Railways and Canals and all other persons, regarding the dismissal of Mr. François Chagnon, lockkeeper at Saint Jean, County of Saint Jean and Iberville, and of all reports thereon with reference to the dismissal of the said Mr. Chagnon. Presented 27th February, 1913.—*Mr. Demers*.. .. ..*Not printed.*

61 (8*h*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Neil McNeil, bridge tender, Intercolonial railway, at Grand Narrows in the riding of North Cape Breton and Victoria. Presented 27th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (8*i*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Archibald McKenzie, sectionman, Intercolonial railway, at Grand Narrows, in the riding of North Cape Breton and Victoria. Presented 27th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (8*j*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of John Fraser, bridge tender, Intercolonial railway, at Grand Narrows, in the riding of North Cape Breton and Victoria. Presented 27th February, 1913.—*Mr. McKenzie*.. .. ..*Not printed.*

61 (8*k*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Demetrius Crozier, lockman at Merrickville, Ontario. Presented 27th February, 1913.—*Mr. Proulx*.. .. ..*Not printed.*

61 (8*l*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Patrick Cussuk, lockman at Merrickville, Ontario Presented 27th February, 1913.—*Mr. Michaud*.. .. ..*Not printed.*

61 (8*m*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Joseph H. Webster, lockman at Nicholson, Ontario. Presented 27th February, 1913.—*Mr. Pacaud*.. .. ..*Not printed.*

61 (8*n*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Cyrus O'Neil, lockman at Nicholson, Ontario. Presented 27th February, 1913.—*Mr. Kyte*... .. ..*Not printed.*

61 (8*o*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Michael Laughtin, bridgeman at Burritts Rapids, Ontario. Presented 27th February, 1913.—*Mr. Papineau*.. .. ..*Not printed.*

61 (8*p*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of John McKay, bridgeman at Becketts, Ontario. Presented 27th February, 1913.—*Mr. Lanctot*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (8*q*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Edward Proctor, lockman at Burritts Rapids, Ont. Presented 27th February, 1913.—*Mr. Neely*.. .. ..*Not printed.*

61 (8*r*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of William Morrison, lockman at Burritts Rapids, Ont. Presented 27th February, 1913.—*Mr. Cash*.. .. ..*Not printed.*

61 (8*s*). Return to an Order of the House of the 15th January, 1913, for a copy of all letters, documents, telegrams, reports, correspondence and recommendations in any way relating to the dismissal of Adam Henderson, bridgemaster at Cardinal, Ontario, and of the appointment of his successor. Presented 27th February, 1913.—*Mr. Murphy.* *Not printed.*

61 (8*t*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of James Feehan, fishery guardian or warden at Tracadie Harbour and Savage Harbour, Prince Edward Island. Presented 27th February, 1913.—*Mr. Hughes (Kings, P.E.I.)*.. .. ..*Not printed.*

61 (8*u*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of John C. McNeil, lighthouse keeper at Grand Narrows, in the riding of North Cape Breton and Victoria. Presented 27th February, 1913.—*Mr. McKenzie.* *Not printed.*

61 (8*v*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of A. A. Chisholm, fishery overseer at Margaree Forks, Inverness County, Nova Scotia. Presented 28th February, 1913.—*Mr. Chisholm (Inverness)*.. ..*Not printed.*

61 (8*w*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Charles E. Aucoin, collector of customs at Cheticamp, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by Mr. H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish).* *Not printed.*

61 (8*x*). Return to an Order of the House of the 17th February, 1913, for a copy of all complaints and charges made against Charles L. Gass, late postmaster at Bayfield, Antigonish County, of the evidence taken, if any, before Commissioner Duchemin, and of his report thereon and of all letters, telegrams and documents of every kind relating to his dismissal and the appointment of his successor. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61 (8*y*). Return to an Order of the House of the 17th February, 1913, for a copy of all letters and correspondence exchanged in reference to the dismissal of Cyprien Martin, of St. Basile, County of Madawaska, N.B., between the Department of Customs and the said Mr. Martin as preventive officer. Presented 28th February, 1913.—*Mr. Michaud*.. .. ..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (8*z*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against Angus A. Boyd, postmaster at Boyd's post office, Antigonish County, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal, and the appointment of a successor. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61 (9*a*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against John B. Macdonald, postmaster at Glasburn, Antigonish County, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal, and the appointment of a successor. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed*

61 (9*b*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against Alex. G. Chisholm, postmaster at Ohio, Antigonish County, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal, and the appointment of a successor. Presented 28th February, 1913.—*Mr. Chisholm (Inverness)*.. .. ..*Not printed*

61 (9*c*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against John J. McLean, postmaster at Cross Roads, Ohio, Antigonish County, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal and the appointment of a successor. Presented 28th February, 1913.—*Mr. Chisholm (Inverness)*.. .. ..*Not printed*

61 (9*d*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against Dougald McDonald, postmaster at Doctors Brook, Antigonish County, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to his dismissal, and the appointment of his successor. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61 (9*e*). Return to an Order of the House of the 9th December, 1912, for a copy of all complaints and charges made against Dan. A. McInnes, postmaster at Georgeville, Antigonish County, Nova Scotia, and of all letters, telegrams, and correspondence relating in any way to his dismissal, and the appointment of his successor. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61 (9*f*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, letters, correspondence, telegrams and other documents relating to the dismissal of E. A. Asker, harbour master at Campbellton. Presented 3rd March, 1913.—*Mr. Reid (Restigouche)*.. .. ..*Not printed.*

61 (9*g*). Return to an Order of the House of the 10th February, 1913, for a copy of all papers, letters, documents and orders relative to the dismissal of Fred Shultz as caretaker of the armouries at Kentville, Nova Scotia, and of the appointment of William Shoop in his place and also for a statement of the stores in said armouries in the years 1910, 1911, 1912, respectively, and for a copy of all orders and regulations relative to the duties of such caretaker. Presented 3rd March, 1913.—*Mr. Macdonald. Not printed.*

61 (9*h*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Dr. Freeman O'Neil, from the Marine Hospital at Louisburg, Cape Breton South, N.S., and of evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 10th March, 1913.—*Mr. Carroll..Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (9*i*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Leon N. Poirier, wharfinger at Descouse, Richmond County, N.S. Presented 10th March, 1913.—*Mr. Kyte*.. .. .. *Not printed.*

61 (9*j*). Return to an Order of the House of the 10th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Norman L. Trefry, shipping master at Yarmouth, County of Yarmouth, N.S., and the same information regarding the appointment of Mr. Trefry's successor Presented 10th March, 1913.—*Mr. Law*.. .. .. *Not printed.*

61 (9*k*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, documents, correspondence, &c., relating to the dismissal of James Amereault, lighthouse keeper at New Edinburgh, Digby County, N.S. Presented 10th March, 1913.—*Mr. McLean (Halifax)*.. .. .. *Not printed*

61 (9*l*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, evidence, reports, letters, correspondence, &c., relating to the dismissal of H. B. Manley, a clerk in the Dominion Lands Office at Saskatoon. Presented 10th March, 1913.—*Mr. McCraney*.. .. .. *Not printed.*

61 (9*m*). Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, letters, telegrams, papers and other documents in connection with the dismissal of John Spicer, senior assistant of the Moosejaw Land Agency. Presented 10th March, 1913.—*Mr. Knowles*.. .. .. *Not printed.*

61 (9*n*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, letters, telegrams and other documents respecting the dismissal of Robert Pragnall from the position of agent of the Dominion Land Office at Swift Current and the appointment of his successor. Presented 10th March, 1913.—*Mr. Knowles.* *Not printed.*

61 (9*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, evidence, reports, letters, correspondence, &c., relating to the dismissal of G. M. Ullyot, a clerk in the Dominion Lands Office at Saskatoon. Presented 10th March, 1913.—*Mr. McCraney*.. .. .. *Not printed.*

61 (9*p*). Return to an Order of the House of the 9th December, 1912, for a return showing the detail and number of dismissals from public offices by the present government to this date in the riding of Saskatoon, with the names of the dismissed occupants, the reasons for their dismissals, the complaints against such officials, and all correspondence with respect to the same, and of all reports of investigations, in case where such were held. Presented 17th March, 1913.—*Mr. McCraney*.. .. .. *Not printed*

61 (9*q*). Return to an Order of the House of the 17th February, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports, affidavits and other documents in the Department of Inland Revenue, respecting the dismissal of J. N. Poirier, Collector of Excise at Victoriaville, County of Arthabaska, and the names of the witnesses interested, with a copy of the evidence and a statement of expenses of the said inquiry. Presented 17th March, 1913.—*Mr. Brouillard*.. .. .. *Not printed.*

61 (9*r*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of John G. Morrison, fishery inspector at Englishtown, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 18th March, 1913.—*Mr. Kyte*.. .. .. *Not printed*

CONTENTS OF VOLUME 27—*Continued.*

61 (9*s*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Edward Landry, lightkeeper, Petite de Grat, Richmond County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 18th March, 1913.—*Mr. Kyte*.. .. ..*Not printed.*

61 (9*t*). Return to an Order of the House of the 27th January, 1913, for a copy of all documents, petitions, letters, correspondence, inquiries and reports concerning the dismissal of Evariste Talbot, employed in the general freight office of the Intercolonial. Presented 18th March, 1913.—*Mr. Lapointe (Kamouraska).....Not printed*

61 (9*u*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Department of Railways or any department of the government, relating to the dismissal of Philip H. Ryan, an employee of the Intercolonial railway at Mulgrave, N.S., and if there was an investigation, the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 18th March, 1913.—*Mr. Sinclair..Not printed.*

61 (9*v*). Return to an Order of the House of the 3rd February, 1913, for a return showing how many postmasters and other post office employees were removed from office respectively, from the 1st of July, 1896, to the 1st of October, 1911, and the number in each province; and from the 10th of October, 1911, up to date, with the number in each province; also the number of post offices in operation in each province on the 1st July, 1896. Presented 26th March, 1913.—*Mr. Rainville.....Not printed.*

61 (9*w*). Return to an Address to His Royal Highness the Governor General of the 3rd February, 1913, for a copy of all orders in council, and of all letters, telegrams, complaints, petitions and of all other documents of any kind, in the possession of the government, or of any department or official thereof, in any way relating to or concerning the dismissal of Dr. Clarence T. Campbell, post office inspector at London, Ontario. Presented 26th March, 1913.—*Mr. Ross.....Not printed.*

61 (9*x*). Return to an Order of the House of the 9th December, 1912, for a return showing the number of postmasters that have been dismissed in the County of Missisquoi since 1st October, 1911, the names of the postmasters who have been appointed to succeed them, the cause of the dismissals and a copy of all complaints and correspondence with respect to the same, and of all reports of investigations where such have been held. Presented 26th March, 1913.—*Mr. Kay.....Not printed.*

61 (9*y*). Return to an Order of the House of the 27th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Post Office Department, regarding any change in any post office or postmastership in Bonaventure County, between 5th December, 1912, up to date. Presented 26th March, 1913.—*Mr. Marcil (Bonaventure).....Not printed.*

61 (9*z*). Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, documents, correspondence, orders in council, &c., relative to the dismissal of S. A. Johnson, late postmaster at Petite Rivière, Lunenburg County, N.S. Presented 26th March, 1913.—*Mr. MacLean (Halifax).*
Not printed.

CONTENTS OF VOLUME 27—*Continued.*

61 (10*a*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Murdock McKenzie, postmaster at Millville Boulardarie, Nova Scotia, in the riding of North Cape Breton and Victoria. Presented 26th March, 1913.—*Mr. McKenzie* ....*Not printed.*

61 (10*b*). Return to an Order of the House of the 9th December, 1912, for a copy of all documents, correspondence and telegrams relating to the dismissal of James Stewart, postmaster at Middleton, Antigonish County, and the appointment of his successor. Presented 26th March, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed*

61 (10c). Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, telegrams and reports relating to the dismissal of Lauchlin McNeil, postmaster at New France, County of Antigonish, and the appointment of his suc- Presented 26th March, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

61 (10*d*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Frank Dunlop, postmaster at Groves Point, Nova Scotia, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expense of such investigation. Presented 26th March, 1913.—*Mr. McKenzie.*
Not printed.

61 (10*e*). Return to an Order of the House of the 10th December, 1912, for a copy of all letters, telegrams, complaints, petitions and other documents relating to the investigation of A. W. Salsman, postmaster at Middle Country Harbour, N.S., and to the appointment of his successor. Presented 26th March, 1913.—*Mr. Sinclair.*
Not printed.

61 (10*f*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Richard Conroy, postmaster at Cross Roads, County Harbour, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 26th March, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (10*g*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Abner Carr, postmaster at St. Francis Harbour, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of expenses of such investigation. Presented 26th March, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (10*h*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Parker Sangster, postmaster, Upper New Harbour, Guysborough County, NS., and of all evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 26th March, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (10*i*). Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, orders in council and all other papers or documents in any way relating to the dismissal of Alexander Marion, from the position of postmaster at Rockland, Ontario. Presented 26th March, 1913.—*Mr. Murphy* ....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (10*j*). Return to an Order of the House of the 4th December, 1912, for a copy of the evidence taken and the report made by each commissioner appointed since 1st of November, 1911, to conduct an investigation into charges of offensive partizanship made against postmasters in the County of Russell. Presented 26th March, 1913.—*Mr. Murphy* .....*Not printed.*

61 (10*k*). Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, evidence, reports, findings and correspondence, relating to the dismissal of Mathew Boutilier, recently postmaster at Mushaboom, Halifax County, N.S. Presented 26th March, 1913.—*Mr. MacLean (Halifax)*.....*Not printed*

61 (10*l*). Return to an Order of the House of the 29th January, 1913, for a return showing the names of the postmasters in the County of Joliette, who have been dismissed from 1896 to September, 1911; their respective parishes; dates of their dismissals; the reasons alleged; whether an inquiry was made in each case; on whose recommendation in each case the dismissals were made; names of successors in each case, and on whose recommendation were they appointed. Presented 26th March, 1913.—*Mr. Guilbault.* *Not printed.*

61 (10*m*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, evidence, reports, letters, correspondence, &c., relating to the dismissal of T. Doane Crowell, postmaster at Shag Harbour, Shelburne County, N.S., and the appointment of his successor. Presented 26th March, 1913.—*Mr. Law.* *Not printed*

61 (10*n*). Return to an Order of the House of the 22nd January, 1913, for a return showing the postmasters who have been dismissed in the County of Vaudreuil, the dates of their appointment, the cause of their dismissal and by whom their dismissal was requested. Presented 26th March, 1913.—*Mr. Boyer*.....*Not printed.*

61 (10*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, documents, letters, correspondence, &c., relating to the dismissal of Mrs. Spinney, postmistress at Upper Port La Tour, Shelburne County, N.S. Presented 26th March, 1913.—*Mr. Law*.....*Not printed.*

61 (10*p*). Return to an Order of the House of the 29th January, 1913, for a return showing the number of postmasters dismissed in the County of Rimouski since 21st September, 1911, giving their names. Presented 26th March, 1913.—*Mr. Lapointe (Kamouraska)* .....*Not printed.*

61 (10*q*). Return to an Order of the House of the 4th December, 1912, for a return showing the detail and number of dismissals from public offices by the present government to this date in the riding of Wright, giving the names of the dismissed occupants, the reasons for their dismissal, the complaints against such officials, and a copy of all correspondence with respect to the same, with all reports of investigations where such were held. Presented 27th March, 1913.—*Mr. Devlin*.....*Not printed*

61 (10*r*). Return to an Order of the House of the 29th January, 9113, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John R. McLennan, janitor of the public building at Inverness Town, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by Mr. H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 28th March, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (10*s*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, and other documents relating to the dismissal of James Arbuckle, caretaker of the public buildings at Pictou, and the appointment of two successors in his stead. Presented 28th March, 1913.—*Mr. Macdonald*.....*Not printed.*

61 (10*t*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Mary Dunlop, telegraph operator at Groves Point, Cape Breton County, Nova Scotia, in the riding of North Cape Breton and Victoria. Presented 28th March, 1913.—*Mr. McKenzie* .....*Not printed.*

61 (10*u*). Return to an Order of the House of the 4th December, 1912, for a return showing the foremen employed at the various public works in the County of Gloucester on the 21st of September, 1911, who have been dismissed since by the present administration, containing their names, reasons of dismissal, nature of the charges made against them, also a copy of all correspondence connected with the same and reports of inquiries, in cases where such inquiries have been instituted. Presented 28th March, 1913.—*Mr. Turgeon*..... .....*Not printed*

61 (10*v*). Return to an Order of the House of the 3rd February, 1913, for a copy of all letters, telegrams, papers and documents relative to the dismissal of Captain Lyons, of the dredge *Northumberland,* and the appointment of his successor. Presented 28th March, 1913.—*Mr. Macdonald*..... .....*Not printed.*

61 (10*w*). Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all correspondence, orders in council and all other papers or documents in any way relating to the dismissal of James McCartin, from the position of inspector of the concrete work forming part of the contract for the construction of the The Plaza at the City of Ottawa Presented 28th March, 1913.—*Mr. Murphy* ....*Not printed.*

61 (10*x*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Robert C. Morrison, postmaster at St. Peters, Richmond County, N.S., and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation, together with a copy of all recommendations, letters, telegrams and other papers relating to the appointment of Mr. Morrison's successor. Presented 31st March, 1913.—*Mr. Kyte.* *Not printed*

61 (10*y*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Richard Dugas, storm signal attendant at Alder Point, Nova Scotia, in the riding of North Cape Breton and Victoria. Presented 4th April, 1913.—*Mr. McKenzie.* *Not printed.*

61 (10*z*). Return to an Order of the House of the 20th January, 1913, for a return showing the names of all officials of the Marine and Fisheries Department who have been dismissed or removed in the County of Pictou, the reasons of the same, the evidence taken at any investigation held in regard to them, and the reports of said investigations, the names of their successors, and a copy of all letters, charges, complaints and recommendations from any person or persons in regard to the said removals or dismissals, or in regard to the appointment of their successors. Presented 4th April 1913.—*Mr. Macdonald*..... .....*Not printed*

CONTENTS OF VOLUME 27—*Continued.*

61 (11*a*). Return to an Order of the House of the 3rd March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of William L. Munro, lightkeeper at White Head, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 4th April, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (11*b*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, telegrams, correspondence, reports and documents touching the dismissals of Alexander R. McAdam as fishery officer for the County of Antigonish, N.S., and the appointment of his successor. Presented 4th April, 1913.—*Mr. Chisholm (Antigonish).* *Not printed.*

61 (11*c*). Return to an Order of the House of the 19th February, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Marine and Fisheries Department, or any department of the government, relating to the dismissal of Stephen C. Richard, lightkeeper at Charlos Cove, N.S., and if there was an investigation, the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 4th April, 1913—*Mr. Sinclair*.....*Not printed.*

61 (11*d*). Supplementary to an Order of the House of the 7th February, 1912, for a return showing for each department of the government the names, post office addresses, offices, employment, and salaries of all persons employed either in the inside or outside service thereof, and of such persons not in the Civil Service, employed by the government in any department, on the tenth day of October, 1911, who have been removed from office or employment by dismissal; specifying in each case the manner of and grounds of such dismissals and the length of notice given to the persons removed, and also indicating in each case whether an inquiry was or was not held prior to such dismissal. Presented 7th April, 1913.—*Mr. Kyte*.....*Not printed.*

61 (11*e*). Return to an Order of the House of the 7th December, 1912, for a return showing the public officers removed by the present government in the district of Lotbinière, with the names and duties of such persons, the reasons of their dismissal, the nature of the complaints made against them, also a copy of all correspondence relating thereto and reports of inquiries in the cases where such inquiries have been held. Presented 9th April, 1913.—*Mr. Fortier*.....*Not printed*

61 (11*f*). Return to an Order of the House of the 29th January, 1913, for a copy of all complaints and charges made against Miss Gertie Lewis, as postmistress at Main-a-dieu, Cape Breton South, N.S., and of all letters, telegrams and correspondence relating in any way to her dismissal and the appointment of a successor. Presented 9th April, 1913.—*Mr. Carroll*.....*Not printed.*

61 (11*g*). Return to an Order of the House of the 11th December, 1912, for a copy of all correspondence, letters, telegrams and other documents relating to the dismissal of John Taylor, late postmaster at Carnduff, Sask., and of all reports of investigation held, &c. Presented 9th April, 1913.—*Mr. Turriff*.....*Not printed.*

61 (11*h*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Frederick Mitchell, from the position of postmaster at Dominion, Cape Breton South, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 9th April, 1913.—*Mr. Carroll.* *Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (11*i*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers, letters, telegrams and other correspondence relating to the dismissal of Thomas J. Sears, postmaster at Lochaber, N.S., and the appointment of his successor; of the evidence taken, and of the report thereon made by Commissioner Duchemin, on the charges, if any, made against the dismissed postmaster. Presented 9th April, 1913.—*Mr. Chisholm (Antigonish)*.. .. ..*Not printed.*

61 (11*j*). Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, letters, telegrams, papers and other documents in connection with the dismissal of the postmaster at Alsask, Saskatchewan. Presented 9th April, 1913.—*Mr. Knowles*..... ....*Not printed*

61 (11*k*). Return to an Order of the House of the 3rd March, 1913, for a copy of all letters, telegrams, instructions and other papers and documents in the possession of the Department of Marine and Fisheries, or any officer thereof, relating to the dismissal or appointment of fishery guardians or fishery officers, in the County of Guysborough, N.S., bearing date since the 10th day of October, 1911. Presented 9th April, 1913.—*Mr. Sinclair*..... .....*Not printed*

61 (11*l*). Return to an Order of the House of the 11th December, 1912, for a copy of all complaints and charges made against John R. Morrison, postmaster at Oban, Richmond County, N.S., and of all letters, telegrams and correspondence relating in any way to his dismissal, and the appointment of a successor. Presented 14th April, 1913.—*Mr. Kyte*..... ....*Not printed.*

61 (11*m*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of A. G. McDonald, postmaster of North East Margaree, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 14th April, 1913.—*Mr. Chisholm (Inverness)*..*Not printed.*

61 (11*n*). Return to an Order of the House of the 9th December, 1912, for a return showing in detail the number of dismissals from public office by the present government to this date, in the constituency of Qu'Appelle, with the names of the dismissed officers, and the reason for their dismissal, the complaints against such officials and a copy of all correspondence, petitions, papers and documents with respect to the same, and of all notes of evidence and reports of investigations in cases where they have taken place. Presented 14th April, 1913.—*Mr. Thomson (Qu'Appelle)*.....*Not printed*

61 (11*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Department of Marine and Fisheries or any department of the government, relating to the dismissal of David Reid, fishery officer at Port Hilford, N.S., and if there was an investigation, the names of the witnesses examined, a copy of the evidence, and a detailed statement of the expenses of each investigation. Presented 15th April, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (11*p*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Robert Musgrave, postmaster at North Sydney, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 15th April, 1913.—*Mr. McKenzie*.....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (11*q*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of A. D. Archibald, postmaster at Glenelg, Guysborough County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 15th April, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed*

61 (11*r*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Leon N. Poirier, postmaster at Descouse, Richmond County, N.S., and of the evidence taken and of the reports of investigation held by H. P. Duchemin in regard to the same and a detailed statement of the expenss of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 15th April, 1913.—*Mr. Kyte*.....*Not printed.*

61 (11*s*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Norman McAskill, postmaster at Framboise, Richmond County, N.S., and of the evidence taken and of the report of investigation held by H. P. Duchemin in regard to the same, and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 15th April, 1913.—*Mr. Kyte*.....*Not printed.*

61 (11*t*). Return to an Order of the House of the 11th December, 1912, for a copy of all papers, documents and correspondence relating to the dismissal of A. T. Doucet, postmaster and collector of customs at Salmon River, Digby County, N.S. Presented 15th April, 1913.—*Mr. Maclean (Halifax)*.. .. ..*Not printed.*

61 (11*u*). Return to an Order of the House of the 29th January, 1913, for a copy of all complaints and charges made against Mrs. Annie Gallivan, as postmistress at Whitney Pier, Cape Breton South, Nova Scotia, and of all letters, telegrams and correspondence relating in any way to her dismissal and the appointment of a successor. Presented 15th April, 1913.—*Mr. Carroll*.....*Not printed.*

61 (11*v*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Wm. J. Paquet, postmaster at Souris, P.E.I. Presented 15th April, 1913.—*Mr. Hughes (Kings, P.E.I.)*.. .. ..*Not printed.*

61 (11*w*). Return to an Order of the House of the 27th January, 1913, for a copy of all documents, correspondence, petitions and recommendations, &c., relating to the dismissal of the postmaster at St. Anaclet, County of Rimouski, during the year 1912, and of the appointment of his successor. Presented 15th April, 1913.—*Mr. Lapointe (Kamouraska)*.. .. ..*Not printed*

61 (11*x*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of George Gunn, postmaster at French Village, Prince Edward Island. Presented 15th April, 1913.—*Mr. Hughes (Kings, P.E.I.)*.. .. ..*Not printed.*

61 (11*y*). Return to an Order of the House of the 4th December, 1912, for a return showing the detail and number of dismissals from public offices by the present government to this date in the riding of Mackenzie, together with the names of the dismissed occupants, the reasons for their dismissal, the complaints against such officials, and a copy of all correspondence with respect to the same, and of all reports of investigations, where any such were held. Presented 15th April, 1913.—*Mr. Cash*..*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (11*z*). Return to an Order of the House of the 7th April, 1913, for a copy of all charges investigated by Commissioner W. J. Code, and also of the evidence taken and the report made by the said commissioner. Presented 16th April, 1913.—*Mr. Murphy.*
Not printed.

61 (12*a*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of D. F. McLean, fishery overseer at Port Hood, Inverness County, N.S., and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 16th April, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed*

61 (12*b*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of J. Scott Nelson, postmaster at Louisdale, Richmond County, N.S., and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same, and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 16th April, 1913. —*Mr. Kyte*..... .....*Not printed*

61 (12*c*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Joseph McMullen, from the post office at Bridgeport, Cape Breton South, Nova Scotia, and of evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 16th April, 1913.—*Mr. Carroll....Not printed.*

61 (12*d*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Frederick A. Martell, postmaster at L'Ardoise, Richmond County, N.S., and of the evidence taken and of the reports of investigation held by H. P. Duchemin, in regard to the same, and a detailed statement of the expenses of such investigation; and a copy of all papers relating to the appointment of his successor. Presented 16th April, 1913.—*Mr. Kyte*..... .....*Not printed.*

61 (12*e*). Return to an Order of the House of the 11th December, 1912, for a copy of all representations, statements and complaints as to political activity made against John A. Macdonald, postmaster at McArras Brook, Antigonish County, and of all correspondence relating to the charges made against him and of the report of Commissioner Duchemin on said charges. Presented 16th April, 1913.—*Mr. Chisholm (Antigonish)*..... ....*Not printed*

61 (12*f*). Return to an Address to His Royal Highness the Governor General of the 7th December, 1911, for a copy of all papers, correspondence and orders in council in connection with and relating to the dismissal from office of public officials from each of the departments of government since the 1st day of October last past, including both Inside and Outside Service. Presented 18th April, 1913.—*Mr. Carvell.....Not printed.*

61 (12*g*). Return to an Address to His Royal Highness the Governor General of the 3rd March, 1913, for a copy of all papers, documents, correspondence, evidence, order in council, &c., relative to the dismissal of Edward Doucett, sub-collector of customs, Digby County, N.S. Presented 21st April, 1913.—*Mr. McLean (Halifax).*
Not printed.

61 (12*h*). Return to an Address to His Royal Highness the Governor General of the 3rd March, 1913, for a copy of all papers, documents, correspondence, evidence, orders in council, &c., relative to the dismissal of Mr. LeBlanc, sub-collector of customs, Church Point, Digby County, N.S. Presented 21st April, 1913.—*Mr. McLean (Halifax).*
Not printed

CONTENTS OF VOLUME 27—*Continued.*

61 (12*i*). Return to an Order of the House of the 19th March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John C. Bourinot, chief customs officer at Port Hawkesbury, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by Mr. H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 21st April, 1913.—*Mr. Chisholm (Inverness).*
Not printed.

61 (12*j*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, evidence, correspondence, letters and telegrams in the Department of Railways and Canals since the 21st day of September, 1911, relating to the dismissal of Alexander E. Morrison, Point Tupper, N.S., from the service of the Intercolonial railway, and of all recommendations for the appointment of his successor. Presented 21st April, 1913.—*Mr. Kyte*.. .. ..*Not printed*

61 (12*k*). Return to an Order of the House of the 3rd February, 1913, for a copy of all letters, telegrams, reports and other papers and documents received from the officers of the Canadian Brotherhood of Railway Employees, by the Department of Labour or of the Department of Railways and Canals, between the 1st day of January, 1912 and the 25th day of January, 1913, relating to investigations and dismissals of employees for political partizanship, and of the replies thereto. Presented 22nd April 1913.—*Mr. Sinclair*..... .....*Not printed*

61 (12*l*). Return to an Order of the House of the 31st March, 1913, for a copy of all complaints and charges against James Falconer, of Newcastle, County of Northumberland, New Brunswick, as correspondent of the *Labour Gazette* at Newcastle, and of all letters, telegrams and other correspondence relating in any way to his dismissal and the appointment of a successor. Presented 22nd April, 1913.—*Mr. Loggie*..*Not printed.*

61 (12*m*). Return to an Order of the House of the 19th March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John B. Chisholm, lightkeeper at Port Hastings, Inverness County, Nova Scotia, and the evidence taken and report of investigation held by Mr. H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 24th April, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed*

61 (12*n*). Return to an Order of the House of the 7th April, 1913, for a copy of all correspondence, telegrams, charges and other documents, relating to the dismissal of Epiphane Nadeau, immigration agent at St. Leonard, Victoria County, N.B. Presented 25th April, 1913.—*Mr. Michaud*.. .. ..*Not printed.*

61 (12*o*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of D. J. Morrison, boatman in the customs service at Big Bras D'or, North Cape Breton and Victoria, N.S., and of the evidence taken and of reports of the investigation held by H. P. Duchemin, in regard to the same, with a detailed statement of expenses of such investigation. Presented 25th April, 1913.—*Mr. McKenzie.*
Not printed

61 (12*p*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, correspondence, letters, telegrams, and other documents relative to the dismissal of Rod McLeod, boatman in the customs service at Big Bras D'or, North Cape Breton and Victoria, N.S., and of the evidence taken and of reports of the investigation held by H. P. Duchemin, in regard to the same, with a detailed statement of expenses of such investigation. Presented 25th April, 1913.—*Mr. McKenzie.*
Not printed.

CONTENTS OF VOLUME 27—*Continued.*

61 (12*q*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of D. McLachlin, postmaster at Marble Mountain, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 25th April, 1913.—*Mr. Chisholm (Inverness).. .. ..Not printed.*

61 (12*r*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Abram LeBlanc, postmaster at West Arichat, Richmond County, N.S., and of the evidence taken and reports of investigation held by H. P. Duchemin in regard to the same and a detailed statement of the expenses of such investigation, and a copy of all papers relating to the appointment of his successor. Presented 25th April, 1913.—*Mr. Kyte..... .....Not printed.*

61 (12*s*). Return to an Order of the House of the 11th December, 1912, for a copy of all correspondence, letters, telegrams and other documents relating to the dismissal of Charles J. Lafford, postmaster at Grand Grove, Richmond County, N.S., and of all evidence taken and report of investigation held by H. P. Duchemin in regard to the same; also a detailed statement of the expenses of such investigation. Presented 25th April, 1913.—*Mr. Kyte..... .....Not printed*

61 (12*t*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of W. S. Lawrence, postmaster at Margrave Harbour, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 25th April, 1913.—*Mr Chisholm (Inverness).. .. ..Not printed.*

61 (12*u*). Return to an Order of the House of the 11th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John K. McDonald, postmaster at Whycocomagh, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 25th April, 1913.—*Mr. Chisholm (Inverness).....Not printed*

61 (12*v*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Captain P. J. Wilcox, from the customs office at Louisburg, Cape Breton South, Nova Scotia, and of evidence taken and reports of investigations held by H. P Duchemin, in regard to the same. Presented 29th April, 1913.—*Mr. Carroll.*

Not printed

61 (12*w*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of M. J. McKennon, from the customs office at Glace Bay, Cape Breton South, Nova Scotia, and of evidence taken and reports of investigation held by H. P. Duchemin, in regard to the same. Presented 29th April, 1913.—*Mr. Carvell.....Not printed*

61 (12*x*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Captain John Arsenault, telegraph line repairer at Alder Point, Cape Breton, in the riding of North Cape Breton and Victoria, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to same, and a detailed statement of the expenses of such investigation. Presented 29th April, 1913.—*Mr. McKenzie.*

Not printed.

CONTENTS OF VOLUME 27—*Continued.*

61 (12*y*). Return to an Order of the House of the 9th December, 1912, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Mrs. John Arsenault, telegraph operator at Alder Point, N.S., in the riding of North Cape Breton and Victoria. Presented 2nd May, 1913.—*Mr. McKenzie.*
Not printed

61 (12*z*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Department of Railways and Canals or any department of the government, relating to the dismissal of A. J. Wilkinson, at Mulgrave, N.S. and if there was an investigation, the names of all witnesses examined and a detailed statement of the expenses of such investigation. Presented 2nd May, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (13*a*). Charges made against Mr. H. A. Bayfield, superintendent of dredging, British Columbia.—(*Senate*).. .. ..*Not printed.*

61 (13*b*). Return to an Order of the House of the 31st March, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of H. G. McKay, lighthouse keeper at Bird Island, Big Bras D'or, North Cape Breton and Victoria, and of the evidence taken, and of reports of the investigation held by H. P. Duchemin, in regard to the same, with a detailed statement of expenses of such investigation. Presented 5th May, 1913.—*Mr. McKenzie*.....*Not printed.*

61 (13*c*). Return to an Order of the House of the 10th March, 1913, for a copy of all reports, charges, and correspondence in the office of the Department of Marine and Fisheries relating to charges of political partizanship against Michael O'Brien, lightkeeper at Bear Island, Richmond County, N.S., and of the instructions issued to H. P. Duchemin, commissioner, to investigate the same together with the Commissioner's report and finding thereon, and his expenses of holding such investigations. Presented 7th May, 1913.—*Mr. Kyte*.....*Not printed.*

61 (13*d*). Return to an Order of the House of the 17th February, 1913, for a copy of all correspondence, letters, telegrams, reports, recommendations and other documents bearing on or having relation to the dismissal of J. H. Leduc, as medical port officer of the port of Three Rivers, P.Q. Presented 7th May, 1913.—*Mr. Bureau*..*Not printed.*

61 (13*e*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Patrick Shea, postmaster at Tompkinsville, Guysborough County, N.S. Presented 7th May, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (13*f*). Return to an Order of the House of the 29th January, 1913, for a copy of all complaints and charges made against Elias Rawding, postmaster at Clementsport, Annapolis County, N.S., and of all letters, petitions, telegrams, and other correspondence relating in any way to his dismissal and the appointment of a successor. Presented 7th May, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (13*g*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Charles McLean, postmaster at Strathlorne, Inverness County, Nova Scotia Presented 7th May, 1913.—*Mr. Chisholm (Inverness)*.. .. ..*Not printed.*

61 (13*h*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Angus R. McDonald, postmaster at Broad Cove Chapel, Inverness County, Nova Scotia. Presented 7th May, 1913.—*Mr. Chisholm (Inverness)*.. ..*Not printed.*

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61 (13*i*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of John McPhail, postmaster at Scotsville, Inverness County, Nova Scotia. Presented 7th May, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed.*

61 (13*j*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, telegrams, complaints, petitions or other documents of any kind received by the government, or any member or official thereof, relating to the conduct of J. Morgan, one time postmaster of the village of Ailsa Craig, Ontario, as such, and relating to an investigation into said conduct. Presented 7th May, 1913.—*Mr. Ross.*
Not printed

61 (13*k*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Roderick McLean, postmaster at Kenlock, Inverness County, Nova Scotia. Presented 8th May, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed*

61 (13*l*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Allan Gillis, postmaster at Gillisdale, South West Margaree, Inverness County, Nova Scotia. Presented 8th May, 1913.—*Mr. Chisholm (Inverness).*
Not printed.

61 (13*m*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of David Shaw, postmaster at Marsh Brook, North East Margaree, Inverness County, Nova Scotia. Presented 8th May, 1913.—*Mr. Chisholm (Inverness).*
Not printed.

61 (13*n*). Return to an Order of the House of the 29th January, 1913, for a copy of all papers concerning the investigation and dismissal of Helen Joubert, postmistress at Sayabec, Quebec. Presented 8th May, 1913.—*Mr. Lemieux*.....*Not printed.*

61 (13*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, letters, and telegrams between the Honourable Postmaster General or the Post Office Department, and any person or persons, relative to the dismissal or the request therefor of D. A. Redmond, until recently postmaster at Brinston, Ontario. Presented 8th May, 1913.—*Mr. Graham*.....*Not printed.*

61 (13*p*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Dan. McEachern, postmaster at McEachern's Mills, Broad Cove Chapel, Inverness County, Nova Scotia. Presented 8th May, 1913.—*Mr. Chisholm (Inverness).*
Not printed.

61 (13*q*). Return to an Order of the House of the 3rd February, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Daniel Dunlop, postmaster at New Campbellton, riding of North Cape Breton and Victoria, N.S., and of the evidence taken and reports of the investigation held by H. P. Duchemin, in regard to same, with a detailed statement of expense of such investigation. Presented 8th May, 1913.—*Mr. McKenzie*.....*Not printed.*

61 (13*r*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Arthur Armstrong, postmaster at Greenfield, Carleton County, N.B. Presented 8th May, 1913.—*Mr. Carvell*.....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

61 (13*s*). Return to an Order of the House of the 3rd February, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relative to the dismissal of Alex. Matheson, postmaster at Boulardarie Centre, north riding Cape Breton and Victoria. Presented 8th May, 1913.—*Mr. McKenzie*.....*Not printed.*

61 (13*t*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Arthur Talbot, late postmaster at Robertsville, County of Megantic, Province of Quebec. Presented 8th May, 1913.—*Mr. Pacaud*.....*Not printed.*

61 (13*u*). Dismissal of N. C. Lyster, late postmaster at Lloydminster, Sask.—(*Senate*). *Not printed.*

61 (13*v*). Return to an Order of the House of the 2nd April, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of Mrs. Maggie Cameron, postmistress at Achosnach, Inverness County, Nova Scotia. Presented 9th May, 1913.—*Mr. Chisholm (Inverness)*.. .. .. ..*Not printed.*

61 (13*w*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of David Fraser, postmaster at North East Margaree, Inverness County, Nova Scotia. Presented 9th May, 1913.—*Mr. Chisholm (Inverness)*.. .. .. ..*Not printed.*

61 (13*x*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal and retention of W. Stayley Porter, postmaster, Port Maitland, Yarmouth County, N.S., and of the evidence taken and report of investigation held by Charles Lane, in regard to the same; also a detailed statement of expenses of such investigation. Presented 9th May, 1913.—*Mr. Law*.....*Not printed*

61 (13*y*). Return to an Order of the House of the 29th January, 1913, for a copy of all charges, telegrams and other documents relating to the dismissal of Alex. McQueen, postmaster at Kowstoke, Inverness County, Nova Scotia, and of the evidence taken and report of investigation held by H. P. Duchemin, in regard to the same; also a detailed statement of the expenses of such investigation. Presented 9th May, 1913.—*Mr. Chisholm (Inverness)* .. ..*Not printed.*

61 (13*z*). Return to an Order of the House of the 3rd February, 1913, for a return showing the number of employees of the Department of Public Works who have been dismissed in the County of Berthier since the 21st September, 1911, giving the names of the said employees; if an inquiry was held in each case; on whose recommendation, in each case, these dismissals were made; the names of those appointed successors to these persons and on whose recommendation. Presented 12th May, 1913.—*Mr. Beland* *Not printed.*

61 (14*a*). Return to an Order of the House of the 10th February, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents in connection with the dismissal and retention of Jesse L. Morton, postmaster at Lower Argyle, N.S., and of the evidence taken and report of the investigation held by Mr. Lane, in regard to the same, also a detailed statement of the expenses of such investigation. Presented 20th May, 1913.—*Mr. Law*.....*Not printed*

61 (14*b*). Return to an Order of the House of the 10th February, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents in connection with the dismissal of Mrs. M. C. Gaudet, postmistress at West Pubnico, Yarmouth County, N.S., and of the evidence taken and report of the investigation held by Mr. Lane, in regard to same, and also a detailed statement of the expenses of such investigation Presented 20th May, 1913.—*Mr. Law*.....*Not printed.*

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61 (14*c*). Return to an Order of the House of the 28th April, 1913, for a copy of all charges, correspondence, telegrams, and other documents relative to the dismissal of John P. McKinnon, section foreman on the Intercolonial railway at Shubenacadie, in the riding of North Cape Breton and Victoria, N.S. Presented 20th May, 1913.—*Mr. McKenzie*.....*Not printed.*

61 (14*d*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Mary A. Bohan, as postmistress at Bath, Carleton County, N.B. Presented 21st May, 1913.—*Mr. Carvell*.....*Not printed.*

61 (14*e*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Edward Lafferty, postmaster at Benton, Carleton County, N.B. Presented 21st May, 1913.—*Mr. Carvell*.....*Not printed.*

61 (14*f*). Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, telegrams, evidence and other documents regarding the dismissal of Dennis McGaffigan, postmaster at Florenceville, Carleton County, N.B. Presented 21st May, 1913.—*Mr. Carvell*.....*Not printed.*

61 (14*g*). Return to an Order of the House of the 27th January, 1913, for a copy of all correspondence and documents bearing upon any change made or asked for in the employees of the Department of Marine and Fisheries in the County of Bonaventure between 5th December, 1912, up to date. Presented 27th May, 1913.—*Mr. Marcil (Bonaventure)*.. .. ..*Not printed.*

61 (14*h*). Return to an Order of the House of the 15th January, 1913, for a copy of all charges, correspondence, letters, telegrams and other documents relating to the dismissal of J. A. McKenzie, postmaster at Ashfield, Inverness County, N.S. Presented 2nd June, 1913.—*Mr. Chisholm (Inverness)*.. .. ..*Not printed.*

61 (14*i*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, reports and other papers and documents in the possession of the Post Office Department, or any department of the government, relating to the dismissal of James Bowles, postmaster at Alder River, N.S., and if there was an investigation, the names of all the witnesses examined, a copy of the evidence, and a detailed statement of the expense of such investigation. Presented 2nd June, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (14*j*). Return to an Order of the House of the 21st April, 1913, for a copy of all correspondence, complaints, reports, recommendations, petitions, certificates and other documents relating to the dismissal of Mr. Edmund Lacroix, as postmaster of the Parish of St. Joseph du Lac, County of Two Mountains, and the appointment of Rodrique Larocque, of the same place as postmaster. Presented 2nd June, 1913.—*Mr. Ethier*.....*Not printed.*

61 (14*k*). Return to an Order of the House of the 26th May, 1913, for a copy of all papers, letters, documents, reports and inquiry, relating to the lighthouse keeper of the Parish of Repentigny, County of L'Assomption. Presented 3rd June, 1913.—Mr. *Seguin*.....*Not printed.*

61 (14*l*). Return to an Order of the House of the 16th April, 1913, for a copy of all papers, documents, evidence, reports, &c., relating to the dismissal of B. C. Kanock, late shipping master at Lunenburg, N.S. Presented 4th June, 1913.—*Mr. McLean (Halifax)*. *Not printed.*

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61 (14*m*). Return to an Order of the House of the 3rd March, 1913, for a copy of all complaints, accusations, correspondence, petitions and telegrams, respecting the dismissal of Ulric Thibaudeau, agent for pilots at Quebec, and of all documents respecting the appointment of his successor, such as petitions, letters of recommendation, &c., and of the evidence and report made after the inquiry held by the inquiring commissioner; and also a detailed statement of the expenses caused by this inquiry. Presented 4th June, 1913.—*Mr. Delisle*.....*Not printed.*

61 (14*n*). Supplementary return to an Order of the House of the 20th January, 1913, for a return showing the names of all officials of the Marine and Fisheries Department who have been dismissed or removed in the County of Pictou, the reasons of the same, the evidence taken at any investigation held in regard to them, and the reports of said investigations, the names of their successors, and a copy of all letters, charges, complaints and recommendations from any person or persons in regard to the said removals or dismissals, or in regard to the appointment of their successors. Presented 4th June, 1913.—*Mr. Macdonald*.....*Not printed.*

61 (14*o*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Post Office Department, or any department of the government relating to the dismissal of Captain Freeman Myers, postmaster at Cole Harbour, Guysborough County, N.S., and if there was an investigation, the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 4th June, 1913.—*Mr. Sinclair.*

Not printed

61 (14*p*). Return to an Order of the House of the 4th December, 1912, for a return showing all public officers removed by the present government in the district of St. James, Montreal, together with the names and duties of such persons, the reasons of their dismissal, the nature of the complaints brought against them, and a copy of all correspondence relating thereto, and of reports of inquiries in the cases where such have been held. Presented 4th June, 1913.—*Mr. Lapointe (Montreal)*.....*Not printed*

61 (14*q*). Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a return showing all the employees of the Dominion government in the constituency of Edmonton, dismissed between 10th of October, 1911, and 21st of November, 1912, the salary being paid to such employee at the time of his dismissal, together with a copy of all correspondence, recommendations to council, orders in council, and all other papers or documents in any way connected with such dismissals. Presented 4th June, 1913.—*Mr. Oliver*.....*Not printed.*

61 (14*r*). Return to an Order of the House of the 4th December, 1912, for a return showing the names of all officials in the district of Sunbury and Queens, who have been dismissed or removed from office since September, 1911, the reason for such dismissal or removal, the evidence taken at any investigation held in regard to them, the reports upon such investigations, the name of any successor appointed in place of dismissed officials, and a copy of all letters, charges, complaints and recommendations in regard to the said removals or dismissals, or in regard to the appointment of their successors. Presented 4th June, 1913.—*Mr. McLean (Sunbury)*.....*Not printed.*

61 (14*s*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Department of Marine and Fisheries, or any department of the government relating to the dismissal of Levi Munroe, harbour master at

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White Head, N.S., and if there was an investigation, the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 4th June, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (14*t*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Post Office Department, or any department of the government, relating to the dismissal of Stanford Langley, postmaster at Isaac Harbour North, N.S., and if there was an investigation the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 5th June, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (14*u*). Return to an Order of the House of the 24th February, 1913, for a copy of all letters, telegrams, correspondence, charges, evidence, reports, and other documents relating to the dismissal of Hugh R. McAdam as postmaster at Arisaig, N.S., and the appointment of Reverend Daniel L. Macdonald as his successor. Presented 5th June, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

61 (14*v*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Post Office Department, or any department of the government, relating to the proposed dismissal of J. J. McNeil, at Grant's Lake, N.S., and if there was an investigation, the names of the witnesses examined and a detailed statement of the expenses of such investigation. Presented 5th June, 1913.—*Mr. Sinclair*.....*Not printed.*

61 (14*w*). Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, evidence, reports and other papers and documents in the possession of the Department of Railways and Canals, or any department of the government, relating to the dismissal of Alex. McInnis, car inspector of the Intercolonial railway at Mulgrave, N.S., and if there was an investigation, the names of all witnesses examined, a copy of the evidence, and a detailed statement of the expenses of such investigation. Presented 6th June, 1913.—*Mr. Sinclair*..*Not printed.*

61 (14*x*). Return to an Order of the House of the 28th April, 1913, for a copy of all charges, correspondence, telegrams, and other documents relative to the dismissal of Archibald McDonald, bridge tender on the Intercolonial railway at Grand Narrows, Iona, riding of North Cape Breton and Victoria, N.S. Presented 6th June, 1913.—*Mr. McKenzie*.....*Not printed.*

61 (14*y*). Names of all officials dismissed in Shelburne and Queens from 1st December, 1896.—(*Senate*).....*Not printed.*

62. Return to an Order of the House of the 4th December, 1912, for a return showing the number of all contracts cancelled in the County of Bonaventure since the 1st of October, 1911; the names of the contractors, the prices paid to them, the reasons for the cancellation in each case; and a copy of any investigations and reports had into the causes of such cancellations, the names of the new contractors and the prices paid to them in each case. Presented 14th January, 1913.—*Mr. Marcil (Bonaventure)*.
Not printed.

62*a*. Return to an Order of the House of the 5th December, 1912, for a return showing the number of rural mail delivery routes that have been established in Canada since the 1st January, 1912, in each province and county, respectively. Presented 14th January, 1913.—*Mr. Lemieux*.....*Not printed.*

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62*b*. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, letters, telegrams, complaints and other documents relating to the cancelling of the contract for conveying His Majesty's mails, entered into on the 1st day of January, 1912, between the Honourable Postmaster General and Mr. J. C. Beeman, of Guthrie, County of Missisquoi; together with the reason for the cancellation of this contract, the price paid to Mr. Beeman, the name of the present contractor and the price paid to him. Presented by Hon. Mr. Pelletier.—*Mr. Kay*.....*Not printed.*

62*c*. Return to an Order of the House of the 11th March, 1912, for a copy of all letters, requests, memorandums, tenders and other documents in the possession of the Post Office Department relating to the calling for tenders and the granting of the contract now in force for the carrying of the mail between Sorel and Ste. Victoire, County of Richelieu. Presented 20th January, 1913.—*Mr. Cardin*.....*Not printed.*

62*d*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, letters, telegrams, tenders, bonds, agreements, contracts and other documents in the possession of the Post Office Department relating to the letting of the contract for carrying the mails between Heatherton and Guysborough, in the year 1912; and also relating to any temporary agreement entered into prior to the date of letting such contract. Presented 21st January, 1913.—*Mr. Sinclair*.....*Not printed*

62*e*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters and other documents relating to the establishment of a rural mail service between Saltsprings and West River Station, in the County of Pictou, in the year 1912. Presented 17th February, 1913.—*Mr. Macdonald*.....*Not printed.*

62*f*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters, and other documents relating to the establishment of a rural mail delivery service between Merigonish Station, County of Pictou, and Arisaig, in the County of Antigonish, in the year 1912. Presented 17th February, 1913.—*Mr. Macdonald.*
Not printed

62*g*. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, letters, telegrams and reports regarding the termination of H. D. Decoste's contract for carrying the mails between Linwood Station and Linwood post office and the making of a new contract with D. Delorey, from the 1st January, 1913. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

62*h*. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, complaints, recommendations, telegrams and reports bearing on the railway mail service in Bonaventure County from October, 1911, up to date, and on the appointment and dismissal of officers in such connection, with the names, residences, salaries and duties, as well as of all documents bearing on the suspension of the railway mail service during the period mentioned, as well as a copy of all documents referring to agreements made to meet such a contingency during the coming winter. Presented 25th March, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

62*i*. Return to an Order of the House of the 9th December, 1912, for a copy of all tenders received and the contracts entered into for the carrying of the mails between St. Andrew and Beauley, County of Antigonish, and of all letters, telegrams and correspondence on file in the Post Office Department containing any recommendation or advice regarding the awarding of such contract, or in any way referring thereto. Presented 26th March, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

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62*j*. Return to an Order of the House of the 3rd February, 1913, for a return showing what changes, if any, have been made in the contracts for the carrying of the mails in the County of Berthier, since the 21st September, 1911; in what parishes, on what date, and for what reason; to whom have the new contracts been granted, and if a tender was asked for in each case. Presented 14th April, 1913.—*Mr. Béland.*
Not printed

62*k*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, bonds, reports and other papers and documents in the possession of the Post Office Department, or any department of the government, relating to the letting of the mail contract between Guysborough and Charlos Cove, County of Guysborough, N.S., during the year 1912. Presented 28th April, 1913.—*Mr. Sinclair.*
Not printed.

62*l*. Return to an Order of the House of the 14th April, 1913, showing the names of the various railway mail clerks employed, respectively, on the Montreal and Quebec divisions and the date of the appointment and residence of each. Presented 7th May, 1913.—*Mr. Bureau* .....*Not printed.*

62*m*. Return to an Order of the House of the 9th April, 1913, for a copy of the contract entered into by the Post Office Department with the Ontario Equipment Company of Ottawa relating to the purchase of locks for mail bags. Presented 7th May, 1913.—*Mr. Carvell* .....*Not printed.*

62*n*. Return to an Order of the House of the 7th April, 1913, for a copy of all correspondence, telegrams, &c., exchanged between the Honourable the Postmaster General and Dr. Faucher, of Quebec, concerning the purchase of a certain patented lock for mail bags. Presented 7th May, 1913.—*Mr. Lapointe (Kamouraska)*.. .. .. ..*Not printed.*

62*o*. Return to an Order of the House of the 7th April, 1913, for a copy of all correspondence, telegrams, &c., exchanged between the Honourable the Postmaster General and Mr. Aimé Dion, advocate of Quebec, concerning the purchase of a certain patented lock for mail bags. Presented 7th May, 1913.—*Mr. Verville*.....*Not printed.*

62*p*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters, petitions, telegrams, complaints, reports, bonds of indemnity, and all other papers and documents in the possession of the Post Office Department, or any department of the government, relating to the contract for carrying the mails between Linwood or some point of the Intercolonial railway, County of Antigonish, N.S., and Grosvenor, County of Guysborough, N.S. Presented 9th May, 1913.—*Mr. Sinclair*....*Not printed.*

62*q*. Return to an Order of the House of the 24th April, 1913, for a return showing the full names of the mail carriers in the County of Vaudreuil and Soulanges; between what place they perform the service; the distance between each of these places; the amount of each carrier's contract, and the amount the government paid for the carriage of the mail in these different places before September, 1911. Presented 16th May, 1913.—*Mr. Boyer*.....*Not printed.*

62*r*. Return to an Order of the House of the 7th May, 1913, for a return showing the number of post offices in Yarmouth County, Nova Scotia, not served with daily mail, giving the names and the number of times per week served. Presented 20th May, 1913. —*Mr. Law*..... .... *Not printed.*

62*s*. Return to an Address to His Excellency the Administrator of the 7th April, 1913, for a copy of all orders in council, reports of experts and contracts, in connection with

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the different purchases of rural mail delivery boxes made by the Post Office Department since 1908, until 1st January, 1912. Presented 21st May, 1913.—*Mr. Lemieux.* *Not printed.*

62*t*. Return to an Order of the House of the 12th May, 1913, for a return giving the names of the post offices and of the postmasters in the Counties of Soulanges and Vaudreuil. Presented 21st May, 1913.—*Mr. Boyer*.....*Not printed.*

62*u*. Return to an Order of the House of the 5th December, 1912, for a copy of all letters, telegrams, petitions and other documents relating to the establishment of rural mail delivery routes in the County of Pictou since the 1st October, 1911, with a statement of all routes applied for, of routes established and of those refused, and the reason for their refusal. Presented 2nd June, 1913.—*Mr. Macdonald*.....*Not printed.*

62*v*. Return to an Order of the House of the 31st March, 1913, for a copy of all correspondence concerning the purchase of new locks for mail bags by the Post Office Department from the Ontario Equipment Company. Presented 4th June, 1913.—*Mr. Carvell.* *Not printed.*

62*w*. Return to an Order of the House of the 17th February, 1913, for a copy of all correspondence, letters, telegrams, memoranda, tenders, bonds and all other documents relative to the contract for the carrying of the mail between the post office and Canadian Pacific Railway station at Three Rivers and vice versa, since the eleventh day of October, 1911, to date. Presented 4th June, 1913.—*Mr. Tobin*.....*Not printed.*

62*x*. Return to an Order of the House of the 21st April, 1913, for a copy of all correspondence, telegrams, complaints, affidavits, reports, recommendations, requests, certificates, contracts and other documents relating to the cancelled contract of M. E. Bougie, for carrying the mails between the post office and railway station at Bromptonville, Quebec. Presented 4th June, 1913.—*Mr. Bureau*.....*Not printed.*

63. Return to an Order of the House of the 4th December, 1912, for a return showing all the new post offices opened in the County of Bonaventure, since October, 1911, up to date, and a copy of the correspondence in connection therewith, together with the names of such post offices and postmasters, and the location of such offices; and also a copy of all papers asking for such offices. Presented 14th January, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

64. Return to an Order of the House of the 9th December, 1912, for a copy of all petitions, correspondence, memoranda, recommendations and other papers or documents in the possession of the Department of Marine and Fisheries relating to the proposals to supply medicine or medical attendance free, or otherwise, to Canadian boat fishermen. Presented 14th January, 1913.—*Mr. Sinclair*.....*Not printed.*

65. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, petitions, complaints, memoranda, reports and investigations regarding the service performed by the steamer *Canada*, owned by the Inter-Provincial Navigation Company of Fraserville, Quebec, since October, 1911, up to date, and also of all documents bearing on the present contract with the Department of Trade and Commerce, or the renewal or extension thereof. Presented 14th January, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed*

66. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, telegrams, letters, &c., relating to the matter of the establishment of a lobster hatchery at Spry Bay, Halifax County, N.S. Presented 14th January, 1913. —*Mr. Maclean (Halifax)*.....*Not printed.*

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67. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, telegrams, &c., between the Department of Trade and Commerce and any company, person or persons, relative to the continuance and payment of a subsidy towards a steamship service between St. John, N.B., and Bear River, N.S., for the fiscal year 1912, and performed during the fiscal year 1911. Presented 17th January 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

67*a*. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, documents, memoranda, letters, telegrams and documents bearing on a request for a subsidy for a steam service between Bonaventure, Quebec, or any other part of Bonaventure County and Bathurst, New Brunswick, or any other part of Gloucester County, New Brunswick, and between New Richmond, Quebec, and Dalhousie, New Brunswick, and between Carleton and Miguasha, Quebec, and Dalhousie, New Brunswick, or Campbellton, New Brunswick, or both, as well as a copy of all replies made for such subsidies and this since October, 1911, to date. Presented 14th January, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

67*b*. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all advertisements, tenders, contracts, orders in council memoranda, papers, letters and correspondence in any way relating to a subsidized steamship service between Canadian ports and any ports of the British West Indies, or any proposed improvement or extension of such steamship service since 1st November, 1911 to the present time. Presented 15th January, 1913.....*Not printed.*

67*c*. Return to an Order of the House of the 4th December, 1912, for a copy of all reports made by officials of the Department of Railways and Canals on the Quebec and Oriental railway, and the Atlantic, Quebec and Western railways, together with a statement of the subsidies paid such railways since October, 1911, up to date, and a copy of all correspondence in that connection. Presented 17th January, 1913.—*Mr Marcil (Bonaventure)*.....*Not printed*

67*d*. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence between the Minister of Railways or any other member of the government and any person regarding the acquisition by the government of Canada of the Quebec Oriental railway, formerly the Atlantic and Lake Superior railway, and the Atlantic, Quebec and Western railway, or both. Presented 27th January, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

67*e*. Return to an Order of the House of the 29th January, 1913, for a copy of the report made to the Minister of Railways and Canals by the party of government engineers who inspected the Quebec and Saguenay railway during December, 1912, January, 1913. Presented 27th February, 1913.—*Mr. Lemieux*.....*Not printed.*

67*f*. Return to an Order of the House of the 17th February, 1913, for a copy of all reports made by any engineers or accountants to the Minister of Railways and Canals on the usefulness of the Atlantic, Quebec and Western railway and the Quebec Oriental railway, to the Intercolonial railway as branch lines or feeders. Presented 27th February, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

67*g*. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, documents, petitions, orders in Council, memoranda, correspondence, &c., by and between the government of Canada or any member thereof, and the government of the province of British Columbia, or any member thereof, since 1st May, 1912, relating to the subject to an increase of the provincial subsidy to the said province. Presented 16th April, 1913.—*Mr. Maclean (Halifax)*.

Printed for sessional papers.

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67*h*. Return to an Address to His Royal Highness the Governor General of the 20th January, 1913, for a copy of all documents and memorials of the government of British Columbia presenting claims for additional provincial subsidies, and of all correspondence and orders in council on the same. Presented 16th April, 1913.—*Sir Wilfrid Laurier*..... .....*Printed for sessional papers.*

67*i*. Copy of agreement made with the several provinces as to the expenditure of the subsidies granted under the Agricultural Aid Act, and statement showing the purposes for which said subsidies are to be expended. Presented 6th June, 1913, by Hon. Mr Burrell..... ....*Not printed*

68. Copies of general orders promulgated to the militia for the period between 2nd November, 1911, and 5th Novmber, 1911. Presented by Hon. Mr. Hughes, 14th January, 1913. *Not printed.*

69. Return to an Address to His Excellency the Right Honourable Sir Charles Fitzpatrick, P.C., &c., administrator, of the 31st March, 1913, for a copy of all papers, documents, petitions, letters, telegrams, orders in council and other papers and documents in possession of the Department of Customs, relating to the duty payable on twine used for fishing purposes, and especially relating to the construction placed upon item 682 of the Customs Tariff. Presented 23rd May, 1913.—*Mr. Sinclair*.....*Not printed.*

70. Return to an Order of the House of the 30th November, 1912, for a return showing:—

1. The date when the present Canadian Pure Food Act, now known as the Adulteration Act, R.S.C., was enacted.

2. What foods, beverages or drugs have standards of strength and purity under the Act been fixed, and what are the dates when such standards become operative.

3. What foods, beverages or drugs have standards of strength and purity been prepared and recommended from time to time by the chief analyst, which have not been put in force, and why were such standards not put in force.

4. How many cases of adulteration together with cases which show standards of quality below those required by the Adulteration Act, have been ascertained by the Dominion analyst since the said Act came into operation.

5. In how many of such cases did prosecutions under the Act or under the Criminal Code follow, and in how many cases were convictions secured. Presented 14th January, 1913.—*Mr. McDonnell*..... .....*Not printed.*

71. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, negotiations, propcsals in writing and other papers and documents in the possession of the government, or any department thereof, relating to reciprocity in trade with the United States, bearing date between the 1st day of January, 1890, and the 31st day of December, 1892. Presented 14th January, 1913.—*Mr. Sinclair.* *Not printed*

72. Return to an Order of the House of the 4th December, 1912, for a copy of all letters, telegrams, &c., exchanged between the member for Bellechasse County and the Minister of Agriculture and the Postmaster General, concerning the appointment of an additional physician at the quarantine station of Grosse Ile. Presented 14th January, 1913.—*Mr. Lemieux*..... .....*Not printed.*

72*a*. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, documents, recommendations and reports concerning the appointment of Doctor Pomminville, to the position of surgeon of the St. Vincent de Paul penitentiary, replacing Doctor A. Allaire. Presented 24th January, 1913.—*Mr. Wilson (Laval)*..... .....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

72b. Return to an Order of the House of the 10th December, 1912, for a copy of all letters, telegrams, correspondence and other documents relating to the appointment of Charles W. Hatfield, fishery officer on the Tusket River, Yarmouth County, N.S. Presented 27th January, 1913.—*Mr. Law*.....*Not printed.*

72c. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, letters, requests, telegrams and other documents relating to the appointment of Louis Nadeau as postmaster at Ste. Christine, County of Bagot. Presented 4th February, 1913.—*Mr. Marcil*.....*Not printed.*

72d. Return to an Order of the House of the 29th January, 1913, for a copy of all orders letters, telegrams and other documents in connection with the appointment of Lt.-Col. Warburton, as administrative medical officer at the Charlottetown camp in 1912, and of all letters and telegrams asking for a change in the said appointment, and of all orders and other documents relating to his being superseded, and to the appointment of his junior, Lt.-Col. Jenkins, in his place. Presented 13th February, 1913.—*Mr. Macdonald*.....*Not printed.*

72e. Return to an Order of the House of the 27th January, 1913, for a copy of all documents, letters, correspondence, recommendations, reports, &c., relating to the appointment of Mr. J. Begin as manager of the experimental farm at Ste. Anne de la Pocatière. Presented 13th February, 1913.—*Mr. Lapointe (Kamouraska)*....*Not printed.*

72f. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence exchanged between Dr. Marcotte, M. Lavallée, M.P., the Honourable the Postmaster General and the Minister of Agriculture, concerning the appointment of an additional medical officer at Grosse Isle quarantine station. Presented 19th February, 1913.—*Mr. Lemieux*.....*Not printed.*

72g. Return to an Order of the House of the 3rd March, 1913, for a copy of all letters, telegrams, recommendations and other papers in connection with the appointment of John Macdonald as Inspector of Inland Revenue for the Maritime Provinces, and of all letters, telegrams, applications, recommendations and other papers received from any other person or persons relative to the applications of other persons for the position. Presented 17th March, 1913.—*Mr. Macdonald*.....*Not printed.*

72h. Return to an Order of the House of the 17th February, 1913, for a copy of all letters, petitions, telegrams, recommendations and other papers and documents, in the possession of the Department of Marine and Fisheries, or any department of the government, relating to the appointment of F. W. Kelley, M.D., as port physician at Bridgewater, N.S. Presented 18th March, 1913.—*Mr. Law*.....*Not printed*

72i. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a return showing all appointments to office under the Dominion government in the constituency of Edmonton from 10th October, 1911, to 21st November, 1912, with a statement of the salaries in each case, together with a copy of all correspondence, recommendation to council, orders in council, and all other papers or documents in any way connected with such appointments. Presented 28th March, 1913.—*Mr. Oliver*.....*Not printed.*

72j. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, recommendations, reports, memoranda and other documents bearing on the appointment of a general foreman, or other permanent or temporary officials, of the Department of Public Works in the County of Bonaventure since October, 1911, up to date, with the names, residences, duties and salaries of such appointees. Presented 2nd May, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

72*b*. Appointment of Mr. McCloskie as postmaster at Waukau, British Columbia.—*(Senate)* *Not printed.*

73. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a return showing all changes made in the Customs Tariff of Canada by order in council since the close of last session of parliament. Presented 14th January, 1913.....*Not printed.*

74. Return to an Order of the House of the 9th December, 1912, for a return showing the quantity and value of molasses of cane, as defined in tariff item No. 137a, imported into Canada for the fiscal year ending 31st March, 1912, from each island of the British West Indies, which are parties to the Canada-West India Trade Agreement. Presented 14th January, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

75. Letter of the Honourable F. D. Monk, M.P., to the Right Honourable the Prime Minister, resigning his position as Minister of Public Works, and the letter of the Prime Minister in acknowledgment thereof. Presented by Hon. Mr. Borden, 14th January, 1913.....*Not printed.*

75*a*. Return to an Order of the House of the 26th May, 1913, for a copy of all letters, reports, documents and all other communications relating to the appointment of Colonel Crowe as Commandant of the Royal Military College and to his resignation of said position; or to the extension of his term of service or to the termination thereof, and of all papers or letters passing between the minister and Colonel Crowe, relative to his resignation or the failure to extend his term of service. Presented 3rd June, 1913.—*Mr. Macdonald*.....*Not printed*

75*b*. Return to an Order of the House of the 26th May, 1913, for a copy of all letters, reports, complaints and other communications and documents which passed between General McKenzie and the Minister of Militia or his department, previous to, and which led up to the resignation of General McKenzie; and also a copy of said resignation, and the reply of the minister thereto, and of any and all communications had with the War Office thereto, and of all other papers and documents in connection therewith. Presented 4th June, 1913.—*Mr. Macdonald*.....*Not printed.*

76. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, letters, telegrams, complaints and reports, bearing on the delay in the payment of census enumerators in the County of Bonaventure, in connection with the last census, together with the names, residences, amounts, and dates of payment. Presented 15th January, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

77. Report of departmental commission on the official statistics of Canada. Presented 15th January, 1913 .....*Printed for distribution only.*

78. Return to an Order of the House of the 18th March, 1912, for a copy of all correspondence in the possession of the Postmaster General respecting the change of name of Broderick post office in the Province of Saskatchewan, to St. Aldwyn. Presented 15th January, 1913.....*Not printed.*

78*a*. Return to an Order of the House of the 30th November, 1911, for a copy of all papers, telegrams, letters, &c., between the Postmaster General and any other person respecting the closing or removal of the present post office at Spry Bay, Halifax County. Presented 20th January, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

79. Report of the commissioner Dominion Police Force, for the year 1912. Presented by Hon. Mr. Foster, 15th January, 1913.....*Not printed.*

CONTENTS OF VOLUME 27—*Continued.*

80. Return to an Order of the House of the 9th December, 1912, for a copy of all correspondence, complaints, reports and all documents relating to the cancelling of lease No. 18778, consented to by the Honourable Minister of Railways and Canals, to Aurile Lebœuf, on the 12th December, 1910.—Presented 16th January, 1913.—*Mr. Papineau.* *Not printed*

81. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of all orders in council passed since 1st October, A.D. 1911, relating to the Board of Management of the Government Railways of Canada, or of any other member thereof, or in any way affecting the same, or any official of the Intercolonial Railway, as regards the duties to be performed or the powers to be exercised by the said Board or any member thereof, or by any such official, together with a copy of all recommendations, letters, applications, instructions, or other correspondence, in any manner relating thereto or having regard to the said orders in council as to the management of the Intercolonial railway. Presented 17th January, 1913.—*Mr. Emmerson*..... ....*Not printed*

81*a*. Return to an Address to His Royal Highness the Governor General of the 4th December, 1912, for a copy of a certain Order in Council issued during the current year by which certain official reports formerly made to Board of Management of the Intercolonial Railway have been ordered in future to be made to Mr. F. P. Brady. Presented 17th January, 1913.—*Mr. Sinclair*.....*Not printed.*

82. Return to an Order of the House of the 5th December, 1912, for a copy of all papers, including surveys, tenders, and every other record, or document in the possession of the Department of Railways and Canals or any other department of the government relating to the building of a line of railway from Estmere, County of Victoria, Province of Nova Scotia, to the town of Baddeck in the same county. Presented 17th January, 1913.—*Mr. McKenzie*..... .....*Not printed.*

83. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all documents, papers, tenders, contracts, orders in council and correspondence in connection with the supply of castings for and the purchase of scrap iron from the eastern division of the Intercolonial Railway since 1st May, 1912. Presented 17th January, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

83*a*. Return to an Order of the House of the 9th December, 1912, for a return showing the names of the employees on the dining cars of the Intercolonial Railway and the nature of their employment; and also of the employees on the Pullman cars of the Intercolonial Railway and the nature of their employment. Presented 17th January, 1913. —*Mr. Boulay*..... ....*Not printed.*

83*b*. Return to an Order of the House of the 9th December, 1912, for a copy of all papers documents, telegrams, letters, &c., relating to a strike of temporary employees of the Intercolonial Railway at Halifax, in August, 1912. Presented 27th January, 1913.— *Mr. Mclean (Halifax)*..... .....*Not printed.*

83*c*. Return to an Order of the House of the 10th December, 1912, for a copy of all evidence plans, reports, correspondence, &c., respecting an inquiry held concerning an accident on the Intercolonial Railway at St. André de Kamouraska on 7th October, 1912, caused by train No. 33, the maritime express going west. Presented 27th January, 1913.—*Mr. Lapointe (Kamouraska)*.....*Not printed.*

83*d*. Return to an Order of the House, of the 29th January, 1913, for a copy of the evidence taken at the inquiry held in the month of November, 1912, by Mr. MacDonald

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superintendent of the Intercolonial at Lévis, in reference to Alfred Laugnay, an employee of the Intercolonial at St. Charles, County of Bellechasse. Presented 27th February, 1913.—*Mr. Lapointe (Kamouraska)*.....*Not printed.*

83*e*. Return to an Order of the House of the 19th February, 1913, for a copy of all telegrams, letters, petitions, reports of engineers, plans, surveys, and other documents in the possession of the Department of Railways and Canals, and having been received since 1st January, 1912, relating to the construction of a branch line of the Intercolonial Railway into Guysborough County. Presented 18th March, 1913.—*Mr. Sinclair*.....*Not printed.*

83*f*. Return to an Order of the House of the 24th February, 1913, for a copy of all petitions, resolutions, letters, telegrams and correspondence, relating to free or reduced transportation of hay over the Intercolonial Railway for the farmers of Antigonish County, Nova Scotia, and also of the evidence taken and report made as to the shortage of hay in that and other of the eastern counties of Nova Scotia. Presented 18th March, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

83*g*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters telegrams, tenders, acceptances of tenders, cancellation of tenders and other papers and documents in the possession of the Department of Railways and Canals, or any department of the government, bearing date after 1st July, 1912, relating to the supply of ice for the use of the Intercolonial Railway at Mulgrave, N.S. Presented 18th March, 1913.—*Mr. Sinclair*.....*Not printed.*

83*h*. Return to an Order of the House of the 12th February, 1913, for a copy of all letters correspondence, petitions and other documents, on file in the Department of Railways and Canals, or in the office of the Intercolonial Railway at Moncton, relating or in any way appertaining to the new public wharf at Sackville, N.B., and the necessity of establishing in the interest of the traffic of the Intercolonial Railway, and of the shipping and trade facilities of Sackville, and of the commerce of communities adjacent thereto, rail connections between the said wharf and the main line of the said railways at Sackville station; also of all letters and other communications received by the chairman or vice-chairman of the Government Railways Managing Board, or by any official of the said railway, relating in any manner to the said subject, received by them or any of them during the years 1911, 1912 and 1913. Presented 19th March, 1913.—*Mr. Emmerson*.....*Not printed*

83*i*. Return to Order of the House of the 19th March, 1913, for a return showing who the tenderers were, and the amount of each tender for the supply of castings for the Intercolonial Railway during the present year. Presented 28th March, 1913.—*Mr. Macdonald*.....*Not printed.*

83*j*. Return to an Order of the House of the 19th March, 1913, for a return showing how many kegs of nails were purchased in 1912 for the Intercolonial Railway; the prices paid therefor in each case; whether tenders were invited in the case of each purchase and, if so, who the respective tenderers were and the prices submitted; to whom were the contracts awarded in each case. Presented 28th March, 1913.—*Mr. Murphy.*
Not printed.

83*k*. Return to an Order of the House of the 19th March, 1913, for a return showing the amounts received by the Intercolonial Railway for freight and passengers respectively for each of the twelve months of the calendar years 1910, 1911 and 1912, at the following stations:—Montreal, Halifax, St. John, Sydney, Truro, Moncton, New Glasgow

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and Amherst; also, the total receipts of the said railway for freight and passengers respectively during each of the said years. Presented 28th March, 1913.—*Mr. Rhodes.* *Not printed.*

83*l*. Return to an Order of the House of the 20th January, 1913, for a copy of all letters correspondence, telegrams, representations, requests and reports on file in the Department of Railways and Canals, or in the offices of the Intercolonial Railway at Moncton, or among the records of the Government Railways Managing Board, or in the office of the assistant chairman of the Government Railways Managing Board, relating to or in any way connected with the water supply system at Dorchester station on the Intercolonial railway, or relating to the absence of and the total failure to provide a supply of water for drinking or other purposes at that station, or in connection with the dwelling of the station agent in the Station House; and also of all correspondence, letters, requests, recommendations and reports relating to the alleged necessity of additional clerical or other help or assistance at the station. Presented 21st April, 1913.—*Mr. Emmerson*.....*Not printed.*

83*m*. Return to an Order of the House of the 12th February, 1913, for a copy of all correspondence, letters, telegrams, reports and other papers on file in the Department of Railways and Canals, or in the offices of the Intercolonial Railway at Moncton, relating to M. L. Tracy, an employee of the mechanical department of the Intercolonial during the years 1899 and 1900, and of all letters and correspondence relating to the case of the said M. L. Tracy, passing between the then Minister of Railways and Canals and any of the officials of the railway, during those years; also a copy of the letters of D. Pottinger, then general manager, the late James E. Price, then general superintendent, and the late M. Jarvis, then a divisional superintendent of said railway, relating to the same subject during the said period of 1899 and 1900. Presented 21st April, 1913.—*Mr. Emmerson*.....*Not printed.*

83*n*. Return to an Order of the House of the 3rd March, 1913, for a statement of all amounts collected by the Intercolonial Railway for freight on hay carried from Amherst and other stations on the Intercolonial, County of Cumberland, to Antigonish, N.S., and consigned to C. Edgar Whidden or C. B. Whidden & Son, in the month of January last and February instant, and by whom such freight was paid; also a copy of all way bills and bills of lading for the same. Presented 21st April, 1913. —*Mr. Chisholm* (*Antigonish*).....*Not printed.*

83*o*. Return to an Order of the House of the 3rd February, 1913, for a copy of all letters petitions, telegrams, complaints, communications, reports and other papers and documents, received since the 1st day of October, 1911, by and now in the possession of the Department of Railways and Canals, the Government Railway Managing Board or any official of the Intercolonial Railway or of the Prince Edward Island railway, relating to or in any manner appertaining to an application for, or a proposed reduction of the working hours for the Intercolonial railway employees at Moncton, or at any other point of the Intercolonial railway or the Prince Edward Island railway. Presented 21st April, 1913.—*Mr. Emmerson*.....*Not printed.*

83*p*. Return to an Order of the House of the 24th February, 1913, for a copy of all complaints, requirements, requisitions, petitions, and correspondence of all kinds made by the Sydney, N.S., Board of Trade, or by the citizens of the city of Sydney, or any of them, having reference to better and increased facilities on the Intercolonial Railway on the Sydney division. Presented 21st April, 1913.—*Mr. Carroll.* *Not printed.*

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83*q*. Return to an Order of the House of the 31st March, 1913, for a copy of all letters, papers and other documents relating to the claim for damages for the death of the young son of Thomas Hoare, who was killed at a crossing of the Intercolonial Railway in the town of Stellarton in the summer of 1912, and of all petitions, letters, and other papers asking for the placing of gates or other protection at said crossing. Presented 1st April, 1913.—*Mr. Macdonald*.....*Not printed.*

83*r*. Return to an Order of the House of the 14th April, 1913, for a copy of all correspondence exchanged between the Department of Railways and Canals at Moncton and the same department at Campbellton, on the subject of the collision which occurred at St. Moise, during the month of February, 1913, between the trains of E. Smith and the regular train No. 99, omitting from it the inquiry held in the matter. Presented 29th April, 1913.—*Mr. Boulay*.....*Not printed.*

83*s*. Return to an Order of the House of the 7th April, 1913, for a return showing the names, residences and occupations of all the employees of the Intercolonial Railway who have been dismissed in the County of Rimouski since the 21st September, 1911. Presented 29th April, 1913.—*Mr. Lapointe (Kamouraska)*.....*Not printed.*

83*t*. Certified copy of a report of the Privy Council of the 5th May, 1913, covering the appointment of Frederick Passmore Gutelius, as general manager of Government Railways. Presented by Hon. Mr. Cochrane, 7th May, 1913... .. .. ..*Not printed.*

83*u*. Return to an Order of the House of the 31st March, 1913, for a copy of all letters, memorials, petitions, correspondence, reports and other documents in the Department of the Postmaster General, or on file therein, relating or in any wise appertaining to the inauguration or establishing of railway mail facilities between Moncton, N.B., westward over the Intercolonial Railway towards St. John, in the morning, so as to furnish, among other things, opportunities for the transmission of newspapers and other mail matter, along said railway, to make morning connection with the railway mail facilities afforded by the railway from Salisbury, Westmorland County, N.B., running into Albert County, N.B.; and also relating to the establishment of railway mail facilities on each week day evening between Moncton eastward over the said railway by train known as number 84, running between Moncton, N.B., and Springhill Junction, Nova Scotia, thus affording the direct mail connection for newspapers and other mail matter each evening from Moncton to Shediac, Memramcook, Dorchester, Sackville, Amherst, and intermediate points east of Moncton; together with a statement showing what, if any, such railway mail facilities, either by locked bag or otherwise, were established or furnished over either of the said routes, and stating the respective dates when the same were so established or furnished generally, or in relation to any one of the newspapers published in Moncton, either in the morning or in the evening. Presented 12th May, 1913.—*Mr. Emmerson*.....*Not printed.*

83*v*. Return showing whether any contract has been made for the construction or supply of cars of any kind to the Intercolonial Railway since 1st January, 1913, and if so, to whom the contract was awarded; the number of cars, kind or class, and the price to be paid; whether any tenders were called for previous to awarding said contract, and if so, who the tenderers were, the amount of the tender in each case, and if tenders were called for by private request or public advertisement. Presented 21st May, 1913. —*Mr. Macdonald*.....*Not printed.*

83*w*. Return to an Order of the House of the 28th April, 1913, for a return showing all amounts collected by the Intercolonial Railway for freight on hay shipped from Amherst and other stations on the Intercolonial, in the County of Cumberland, to Antigonish and other stations in the County of Antigonish, during the months of

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January, February and March last; the name of the consigners and of the consignees, the amount of freight paid on each shipment and by whom paid; also a copy of all way-bills and bills of lading for same. Presented 6th June, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

84. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, documents, memoranda, orders in council, letters and correspondence, relating in any way to the closing of the Canadian Immigration Office at Boston, U.S.A., in 1911, and its subsequent re-establishment. Presented 17th January, 1913.—*Mr. McLean (Halifax)*.....*Not printed*

85. Copies of despatches dated 11th December, 1912, which have been addressed to the Governors General of the Commonwealth of Australia and the Union of South Africa and the Governors of New Zealand and Newfoundland, on the subject of representation of the self-governing Dominions on the Committee of Imperial Defence. Presented by Hon. Mr. Borden, 17th January, 1913.....*Not printed.*

86. Reports in connection with the Tides and Currents of Northumberland Strait.—(*Senate*).....*Not printed.*

87. Archives Branch, *re* transferring of from Department of Agriculture to Secretary of State.—(*Senate*).....*Not printed.*

88. Commission appointed to investigate Indian reserves of British Columbia.—(*Senate*). *Not printed.*

89. Insurance rates between Canadian Atlantic ports, and ports in the United Kingdom.—(*Senate*) .....*Printed for distribution and sessional papers.*

90. Report of departmental commission relating to official statistics of Canada.—(*Senate*). *Printe d for distribution only.*

91. Copy of the Sixth Joint Report of the Commissioners for the Demarcation of the Meridian of the 141st degree of west longitude. Presented by Hon. Mr. Roche, 21st January, 1913.....*Not printed.*

92. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, petitions, memoranda, correspondence, &c., with the Government of British Columbia or any member thereof, with the fishery officers of the Marine and Fisheries Department resident in said province, with salmon canneries in said province, and with any company, person or persons, relating to the prohibition of the export of sockeye salmon from the said province of British Columbia since 15th October, 1911. Presented 20th January, 1913.—*Mr. Maclean (Halifax)*....*Not printed.*

93. Return to an Order of the House of the 20th March, 1912, for a copy of all correspondence and memoranda on the subject of cable rates, exchanged between the Canadian Post Office Department and the British Post Office Department. Presented 20th January, 1913.—*Mr. Lemieux*.....*Not printed.*

94. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, documents, letters, &c., between the Government of Canada and the Commonwealth of Australia for the past twelve months relative to the matter of preferential tariff arrangements between the said two countries. Presented 21st January, 1913.—*Mr. Maclean (Halifax)*..*Printed for sessional papers only.*

95. Report of Mr. Olivar Asselin on an investigation of Belgian and French emigration to Canada. Presented by Hon. Mr. Roche, 21st January, 1913.
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95*a*. Return to an Order of the House of the 4th December, 1912, for a copy of all complaints, letters, papers, reports, and of all documents bearing on the investigation held at Port Daniel West, Quebec, into the conduct of Edward Dea, as overseer or guardian of the lobster hatchery at that place. Presented 22nd January, 1913.—*Mr. Marcil* .....*Not printed.*

95*b*. Report of R. A. Pringle, Esq., K.C., in relation to the investigation of the wreck of the steamer *Mayflower*, on the 12th November, 1912. Presented by Hon. Mr. Hazen, 6th February, 1913.....*Not printed.*

95*c*. Return to an Address to His Royal Highness the Governor General of the 29th January, 1913, for a copy of the report of the commission appointed to investigate complaints against the United Shoe Machinery Company, together with the order in council appointing the commission, the complaints upon which the order was issued and all action, if any, taken by the government on report of commission, by order in council or otherwise. Presented 11th February, 1913.—*Sir Wilfrid Laurier.*
Not printed

95*d*. Return to an Order of the House of the 20th January, 1913, for a copy of all evidence, letters, telegrams and other documents in connection with the investigation into the stranding of the D. G. steamer *Earl Grey* at Toney River, County of Pictou, in the spring of 1912; of the reports of the commissioner investigating the same, and of all correspondence, telegrams and documents in connection therewith, and of any departmental action in connection therewith. Presented 18th March, 1913.—*Mr. Macdonald.*
Not printed

95*e*. Return to an Order of the House of the 27th January, 1913, for a copy of all letters, papers, evidence and other documents in connection with the investigation into the collision between the steamship *City of Sydney* and the tug boat *Douglas H. Thomas*, in Sydney Harbour, 13th November, 1912, and of the findings and reports of the commissioner holding the investigation in regard to the same. Presented 2nd April, 1913.—*Mr. Macdonald*.....*Not printed.*

96. Report of the Second International Moral Education Congress held at the Hague, 22nd to 27th of August, 1912, and as related thereto, on moral instruction in the Canadian public schools, &c., by Mr. J. A. M. Aikins, who was appointed by the government to represent Canada at that Congress. Presented by Hon. Mr. Borden, 21st January, 1913.....*Printed for distribution only.*

97. Return to an Order of the House of the 4th December, 1912, for a copy of all pay-lists, letters, documents, letters and other papers in connection with the expenditures at Cariboo Island in the County of Pictou. Presented 21st January, 1913.—*Mr Macdonald* .....*Not printed.*

98. Return to an Order of the House of the 22nd January, 1913, for a copy of all correspondence, letters and telegrams between the Minister of Marine and Fisheries, or any officer of his department, and J. A. Gillies, K.C., Sydney, relating to the purchase from John B. Nicholson, of a site for a salmon hatchery at Snidlope Lake, Richmond County, N.S., and also of all accounts, charges and vouchers received from the said J. A. Gillies, for services in connection therewith and the payments made to the said J. A. Gillies in respect of the same. Presented 7th February, 1913.—*Mr. Kyte.*
Not printed.

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99. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents and correspondence, between the Department of Public Works and any person or persons relating to the placing of obstructions in the waters of South West Cove, Lunenburg County, N.S. Presented 24th January, 1913.—*Mr. Maclean (Halifax)*..... ....*Not printed.*

100. Return to an Order of the House of the 4th December, 1912, for a copy of all pay-lists, letters, documents, telegrams and other papers in connection with the expenditures at Skinner's Cove in the County of Pictou. Presented 24th January, 1913.—*Mr. Macdonald* ....*Not printed.*

101. Return to an Address to His Royal Highness the Governor General of the 22nd January, 1912, for a copy of all correspondence between the government of Canada and the government of the Province of Ontario, with regard to the extension of the boundaries of the said province. Presented 28th January, 1913.—*Sir Wilfrid Laurier.* *Not printed.*

102. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, reports, and documents, bearing on the claim of C. R. Scoles, of New Carlisle, Quebec, to a balance of subsidy voted to the Atlantic and Lake Superior railway, since October, 1911, to date. Presented 24th January, 1913.—*Mr. Marcil.* *Not printed.*

103. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, letters, telegrams, reports and other documents concerning an alleged defalcation in the accounts of Joseph J. Melanson, clerk in the customs office at Bathurst, County of Gloucester, which caused an inquiry to be held on the 23rd of October last by the Provincial Inspector of Customs, with the name of the accuser. Presented 24th January, 1913.—*Mr. Turgeon*.....*Not printed.*

104. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, letters and telegrams in the custody of the Department of Railways and Canals, or any other department of the government, between the 1st day of September, 1874, and the 1st day of September, 1879, relating to the acquisition or expropriation of lands at St. Peters, N.S., for canal purposes, and relating to the appointment of valuators to apprise the value of such lands; the instructions to such valuators, the report or reports of such valuators, the area of lands taken, and the price paid for same; and also the amount paid each valuator for his services. Presented 27th January, 1913.—*Mr. Kyte*.....*Not printed.*

105. Return to an Order of the House of the 4th December, 1912, for a copy of all the different freight tariffs in force on the line of railway from Matapedia, Quebec, to New Carlisle, Quebec, and from New Carlisle, to Gascons, Quebec, and vice versa, and of any requests that have been received in regard to the change in the same; and also a copy of any requests, petitions, letters, or other documents complaining of the said tariffs. Presented 27th January, 1913.—*Mr. Marcil (Bonaventure).* *Not printed.*

105*a*. Return to an Order of the House of the 10th December, 1912, for a copy of the different freight tariffs in force on the line of railway from Sunny Brae to Ferrona Junction, on the Intercolonial Railway, and of any requests that have been received in regard to the change in the same, and also a copy of any requests, petitions, letters or other documents complaining of said tariff. Presented 27th January, 1913. —*Mr. Sinclair*..... .....*Not printed.*

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106. Return to an Order of the House of the 5th December, 1912, for a copy of the original instructions, including maps, specifications, profiles, &c., furnished the engineers on the eastern division of the Transcontinental railway between Winnipeg and Quebec by the chief engineer of the Transcontinental Commission, and approved by the Grand Trunk Pacific Railway Company. Also of all instructions, including specifications and profiles, issued by the chief engineer of the Transcontinental Commission or by the chairman, since 31st October, 1911, which in any way vary, amend, or depart from the original instructions above mentioned. Also, of all correspondence between the Minister of Railways or any official of his department and the chairman of the Transcontinental Commission, or the chief engineer, concerning the departure from the original instructions, either as to the grades, curves and bridges or other permanent structures. Also a copy of all correspondence between the Minister of Railways or any member of the government and any official of the Grand Trunk Pacific Railway Company referring to change of original instructions as regards grades, curves or permanent structures on the said line between Winnipeg and Quebec; and also of all correspondence between the chairman of the Transcontinental Commission or the chief engineer and any official of the Grand Trunk Pacific Railway Company, or any member of its engineering staff, concerning the proposed change of grades, curves, or other permanent structures on the line of the Transcontinental between Winnipeg and the City of Quebec. Presented 30th January, 1913—*Mr. Graham.*

Not printed.

106*a*. Return to an Order of the House of the 7th May, 1913, for a copy of a letter, dated 24th September, 1904, written by Chief Engineer Lumsden of the Transcontinental Commission to Chairman Wade of the same body, in which the former recommended to the latter certain grades on the Transcontinental railway. Presented 15th May, 1913.—*Mr. Graham*.....*Not printed.*

107. Return to an Order of the House of the 20th January, 1913, for a copy of all papers in connection with a claim of L. A. Sauvé to certain buildings at La Pointe des Cascades, on the Soulanges canal, and of all correspondence on the same. Presented 30th January, 1913.—*Sir Wilfrid Laurier*.....*Not printed.*

108. Return to an Order of the House of the 5th December, 1912, for a copy of the contract entered into between the Department of Railways and Canals and W. H. Weller for St. Peters canal improvements, and for a copy of all correspondence between the contractor or any other person, firm or corporation and the Honourable Minister of Railways and Canals relating to the dumping of material removed by the contractor. Presented 30th January, 1913.—*Mr. Kyte*.....*Not printed.*

108*a*. Return to an Order of the House of the 27th January, 1913, for a copy of all correspondence between the Department of Railways and Canals and C. D. Sargent, C.E., and between C. D. Sargent, C.E., and H. G. Stanton, Superintending Engineer of the St. Peters Canal, or between W. H. Weller, contractor for the St. Peters canal improvements, and either or all of said parties relative to work done by the contractor outside of his contract, and the specifications thereof, and also a copy of all correspondence, letters and telegrams between the Department of Railways and Canals or C. D. Sargent, C.E., and any other person, in regard to the same; and of all accounts and vouchers rendered by the contractor to the government of such work, and the payment made by the government to the contractor, specifying whether the same is paid for in full or otherwise. Presented 21st April, 1913.—*Mr. Kyte.*

Not printed.

108*b*. Return to an Order of the House of the 19th March, 1913, for a copy of the accounts of personal expenses paid to Mr. St. Amour, Superintendent of the Soulanges Canal,

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since he entered upon his duties.—Also return to an Order of the House of the 2nd April, 1913, for a copy of all accounts for personal expenses paid by the government to Mr. St. Amour, Superintendent of the Soulanges Canal, since the date of his appointment. Presented 29th April, 1913.—*Mr. Boyer*.....*Not printed.*

109. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, letters, telegrams, petitions and other documents received since the 1st day of January, 1912, asking that the line of railway known as the Vale Road, should be taken over by the Intercolonial Railway. Presented 30th January, 1913.—*Mr. Macdonald*.....*Not printed.*

110. Return to an Order of the House of the 27th January, 1913, for a copy of all correspondence in connection with the issuing of letters patent to the Quebec Railway, Light, Heat and Power Company, Limited, and also said letters patent. Presented 30th January, 1913.—*Mr. Lemieux*.....*Not printed.*

111. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, correspondence, &c., between the Department of Trade and Commerce and Mr. Donnelly, late Canadian Trade Commissioner in Mexico, relating to the closing of the office of such trade commissioner in Mexico. Presented 3rd February, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

112. Return called for by Section 88 of Chapter 62, Revised Statutes of Canada, requiring that the Minister of the Interior shall lay before parliament, each year, a return of liquor brought from any place out of Canada into the territories by special permission in writing of the Commissioner of the Northwest Territories. Presented by Hon. Mr. Roche, 3rd February, 1913.....*Not printed.*

113. Return to an Order of the House of the 22nd January, 1913, for a copy of all letters, telegrams and other papers and documents, relating to the resignation of Lt.-Col. W. F. Moore, 20th Regiment, Halton Rifles, and also of the resignation and the reply thereto. Presented 6th February, 1913.—*Mr. Macdonald*.....*Not printed.*

114. Return to an Order of the House of the 20th January, 1913, for a copy of all letters, papers, telegrams and other documents in connection with the strike of firemen and other men employed on the D.G.S. *Earl Grey*, in the year 1912 and 1913. Presented 11th February, 1913.—*Mr. Macdonald*.....*Not printed.*

115. Return to an Order of the House of the 27th March, 1912, for a copy of all papers, letters and telegrams relating to the applications for, or the granting of, a lease of False Cove Flats, Vancouver, B.C. Presented 11th February, 1913.—*Mr. Macdonald.* *Not printed.*

116. Return to an Order of the House of the 27th January, 1913, for a copy of all correspondence and other papers in connection with a proposed guarantee of bonds to the Quebec and Saguenay railway. Presented 11th February, 1913.—*Mr. Lemieux*....*Not printed.*

116*a*. Return to an Order of the House of the 9th April, 1913, for a copy of all documents, including petitions, memorials, letters and telegrams, addressed to the government, or any of its members, urging it to take over and incorporate into the Canadian government railway system, the Quebec and Oriental Railway and the Atlantic, Quebec and Western Railway, with a copy of all the answers thereto. Presented 20th May, 1913. —*Mr. Marcil (Bonaventure)*.....*Not printed.*

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116*b*. Return to an Address to His Royal Highness the Governor General of the 11th December, 1912, for a copy of all orders in council in connection with the construction of a line of railway from St. John to Grand Falls in the Province of New Brunswick, or any portion thereof and also of all plans and profiles filed with the Department of Railways and Canals by the St. John and Quebec Railway Company, and of all correspondence between the Department of Railways and Canals or any official thereof and with the said company or the Government of the Province of New Brunswick, or any official thereof, with reference to the curves, grades or general specifications of the said railway or any portion thereof. Presented 20th May, 1913.—*Mr. Carvell.*
Not printed.

116*c*. Return to an Order of the House of the 28th April, 1913, for a copy of all memorials, petitions, letters, and other documents submitted to the Board of Railway Commissioners from 1st January, 1913, to date, by any party whatsoever regarding the service of the Quebec and Oriental Railway and the Atlantic, Quebec and Western Railway, as to freight, passengers and express matters, with a copy of all orders and rulings issued by such Board and of all correspondence in connection therewith. Presented 20th May, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

117. Return to an Address to His Royal Highness the Governor General of the 5th December, 1912, for a return showing the number of appeals made to the Governor in Council during the twelve months preceding 25th November, 1912, against orders of the Board of Railway Commissioners, the particulars of each appeal, and the decision rendered by the Governor in Council in each case. Presented 11th February, 1913.—*Mr. Graham* .....*Printed for sessional papers only.*

118. Return to an Address to His Royal Highness the Governor General of the 22nd January, 1913, for a copy of all orders in council and of all correspondence relating to the extension of facilities for obtaining information useful to Canadian Trade and Commerce in connection with the British Consular Service. Presented 11th February, 1913.—*Mr. Ames*..... .....*Not printed.*

119. Return to an Order of the House of the 24th January, 1913, for a return showing all the employees of the different departments at Ottawa, and also in the nine provinces and territories of Canada, and other places outside of Canada, in the inside and outside service, who have left their employment since the 1st October, 1911, up to the 10th January, 1912, inclusively, with their names, Christian names, age, nationality, employment and salaries respectively; the date of their appointment; the date of their leaving; their salaries, the time of their appointment and at leaving; the reasons of their leaving; and if replaced or not; the names, Christian name, age, nationality, employment and salary of those who have replaced them; and in the case of dismissals, a list of the persons who asked for their dismissals; in the case of these replacing them, a list of the persons who recommended their successors Presented 11th February, 1913.—*Mr. Wilson (Laval)*.....*Not printed.*

119*a*. Supplementary return to an Order of the House of the 24th January, 1912, for a return showing all the employees of the different departments at Ottawa, and also in the nine provinces and territories of Canada, and other places outside of Canada, in the inside and outside service, who have left their employment since the 1st October, 1911, up to the 10th January, 1912, inclusively, with their names, Christian names, age, nationality, employment and salaries respectively; the date of their appointment; the date of their leaving; their salaries at the time of their appointment and at leaving; the reasons of their leaving; and if replaced or not; the names, Christian name, age, nationality, employment and salary of those who have replaced them;

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and in the case of dismissals, a list of the persons who asked for their dismissals; in the case of these replacing them, a list of the persons who recommended their successors. Presented 17th March, 1913.—*Mr. Wilson (Laval)*.....*Not printed.*

120. Return to an Address to His Royal Highness the Governor General of the 5th February, 1912, for a copy of all tenders, contracts, reports and other memoranda of the engineers of the Department of Public Works, orders in council, correspondence and all other documents relating to the construction of a dam for storage purposes at the foot of Lake Timiskaming. Presented 12th February, 1913.—*Mr. Pugsley.*
Not printed.

120a. Return to an Order of the House of the 4th March, 1912, for a copy of all contracts, correspondence or writings whatsoever, respecting the construction of a dam in 1908 or 1909, called the Lake Timiskaming dam constructed or built over the rivers forming the inflow or the discharge of the said lake, exchanged between the Government of Canada and the contractor or contractors. Presented 12th February, 1913.—*Mr. Boulay*.....*Not printed.*

121. Return to an Order of the House of the 28th March, 1912, for a return giving a list of the subjects of the oil paintings and water colours which have become the property of the National Gallery of Canada since 1891; and the names of the artists in each case. Presented 12th February, 1913.—*Mr. Burnham*.....*Not printed.*

122. Return to an Order of the House of the 27th January, 1913, for a copy of all documents, letters, correspondence, reports, recommendations, &c., relating to the petition of Mr. Firmin Thibault, of St. Denis, County of Kamouraska, for his indemnity for having served at the time of the Fenian invasion. Presented 13th February, 1913.—*Mr. Lapointe (Kamouraska)*.....*Not printed.*

123. Return to an Order of the House of the 27th January, 1913, for a return showing what date or dates the government purchased the site for the new Dominion Rifle Range in the County of Carleton, Ontario, from whom were the several parcels of land purchased, and what price per acre was paid for each, the number of acres of land purchased, and the total amount paid therefor, if any buildings have been erected on the said lands by the government, and the cost thereof, the amounts paid by the government for commissions, fees, agency charges, and legal expenses, and to whom in connection with said purchase, the amount of money expended by the Government on the said range for all purposes, from the date of the original purchase of the land up to 23rd January, 1913, and any sums remaining to be paid in any way connected with the purchase of the said range, to whom and the respective amounts thereof, the distance from the post office in the City of Ottawa to the said range, if any line of electric or other railway runs from the City of Ottawa to the said range, and what means of transportation will be provided for riflemen going to and returning from the said range. Presented 13th February, 1913—*Mr. Wilson (Laval)*.....*Not printed.*

124. Return to an Address to His Royal Highness the Governor General of the 10th February, 1913, for a copy of the memorial presented to the Government during the session of 1911-12, by a delegation from the Government of Prince Edward Island asking for an increased provincial subsidy, a copy of which memorial was laid on the Table of the House by the Finance Minister last session of Parliament, but is not now apparently on the files of the House Presented 17th February, 1913.—*Mr. Hughes (Kings, P.E.I.)*.....*Printed for sessional papers only.*

125. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, letters, telegrams and correspondence between the Government of Canada or any member thereof, since 1st November, 1911, to the pre-

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sent time, with any corporation, company, party or parties, in any way relating to the Customs Tariff upon cement or to the temporary reduction made of the Customs Tariff upon cement; also for a copy of all letters and correspondence by and between members of the Government of Canada during the same period relating to the same subject, and of all papers, documents, memoranda and orders in council relative to the reduction of the Customs Tariff upon cement made by order in council since the close of the last session of parliament. Presented 17th February, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

125a. Return to an Address to His Royal Highness the Governor General of the 20th January, 1913, for a copy of all petitions since the 1st of October, 1911, addressed to the Governor General in Council or to any member of the government, asking for a remis ion and the adjustment of duty on cement, of all letters to the ministers individually on the same, of all correspondence and of all orders in council. Presented 21st February, 19.3.—*Sir Wilfrid Laurier*.....*Not printed.*

125b. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all papers, documents, petitions, orders in council, letters and telegrams in any department of the government of Canada, or that passed between the Department of Customs and the Department of Justice or any solicitor, counsel, association, company or individual, during the past twelve months, respecting the imposition of tariff duties upon imported lumber dressed on one side and sized, or respecting the interpretation of tariff item No. 504, together with a printed copy of any stated case, appeal, factum or argument used before the Exchequer Court of Canada or the Supreme Court of Canada, in the matter of the judicial interpretation of tariff item No. 504. Presented 4th June, 1913.—*Mr. Maclean (Halifax)*.

Not printed.

126. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence passing between the government or any member thereof with respect to the east half of Section 27 in township six (6) in range two (2) west of the third meridian. Presented 17th February, 1913.—*Mr. Martin (Regina)*.....*Not printed.*

127. Return to an Order of the House of the 27th January, 1913, for a return showing when the militia or regular forces was first called out in Canada since Confederation in aid of the civil authorities, how often, when and where has the same been called out since, the amount of money paid by each municipal corporation for such service in each case, what corps called out on each occasion, whether to quell strikes in each instance or for what purpose. Presented 18th February, 1913.—*Mr. Macdonald.*

Not printed.

128. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, papers, &c., concerning the application by James McKelvey, of the town of Sarnia, Ontario, for Fenian Raid Volunteer Bounty. Presented 18th February, 1913.—*Mr. Macdonald*.....*Not printed.*

129. Return to an Order of the House of the 10th February, 1913, for a copy of all documents, correspondence, memorandums, reports, requests for inquiries, of the appointment of commissioners and other documents, relating to the study of the causes for the depopulation of country places and the high cost of living in the eastern provinces of the Dominion. Presented 18th February, 1913.—*Mr. Paquet*.....*Not printed.*

130. Return to an Order of the House of the 9th December, 1912, for a copy of all papers, documents, memoranda and correspondence relating to the application of the Banque Internationale to the Treasury Board for a certificate for the commencement of business. Presented 18th February, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

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131. Return to an Order of the House of the 4th December, 1912, for a copy of all papers, documents, telegrams, reports, letters, and instructions regarding smelt and salmon fishing in the Restigouche river and the Baie des Chaleurs since October, 1911, up to date, together with copy of instructions issued to officials of the Department of Marine and Fisheries in that connection. Presented 18th February, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

132. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence and papers concerning the increase of salary of Mr. Sevigny, employed at the immigration office at Montreal. Presented 18th February, 1913.—*Mr. Carvell.*
Not printed.

133. Return to an Order of the House of the 5th February, 1913, for a return showing whether any order for goods has been given by the Department of Public Works since 1st October, 1911, at Montreal, Quebec, St. John and Halifax; tenders asked for in each case; orders for goods given without tenders; names of firms, and amounts in each case. Presented 19th February, 1913.—*Mr. Macdonald*.....*Not printed.*

134. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence and other papers, in the Department of Public Works, concerning the awarding of a contract for a Welsh coal supply to the various Dominion public buildings in Montreal. Presented 19th February, 1913.—*Mr. Lemieux*....*Not printed.*

135. Return to an Order of the House of the 5th December, 1912, for a return showing how many dredging contracts were let by the Department of Public Works during the year 1911-12, the name of each tenderer and the amount of each tender. Presented 19th February, 1913.—*Mr. Lemieux*.....*Not printed.*

135*a*. Return to an Order of the House of the 4th December, 1912, for a return showing the quantity by cubic yards of dredging made in the harbour of Bathurst by the dredge *Restigouche* during the months of May, June, July, August, September, October, and November of the year 1911, and during the same months in the year 1912. Presented 19th February, 1913.—*Mr. Turgeon*.....*Not printed.*

135*b*. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, documents, recommendations and reports respecting the dredging Des Prairies river, the work done, depth, length and width of channel dredged, the list of men employed to perform that work, their salaries, and the amount of money spent on that work since the 1st of October, 1911, up to the 21st November, 1912. Presented 12th May, 1913.—*Mr. Wilson (Laval)*.....*Not printed.*

135*c*. Return to an Order of the House of the 3rd March, 1913, for a copy of all documents, letters, reports of engineers and a detailed statement of expenditure in connection with dredging at Ste. Anne de Restigouche and Cross Point, Bonaventure County. Presented 4th June, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

135*d*. Return to an Order of the House of the 19th March, 1913, for a return showing the amount of dredging done by the government dredges for private parties or firms in Prince Edward Island, during the season of 1912; the names of the parties or firms for whom this dredging was done; the number of yards of material dredged for each party or firm; the class of material dredged, and the price per yard the government charged for this dredging; who measured the material dredged, and whether it was scow measurement that was made; who recommended the said dredging to be done; if the resident engineer or any engineer was consulted in regard to the measuring, and if the resident engineer or any engineer had control over the matter at all. Presented 6th June, 1913.—*Mr. Hughes (Kings, P.E.I.)*.....*Not printed.*

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136. Return to an Order of the House of the 9th December, 1912, for a copy of the accounts of Jean Baptiste Lena and of his wife, for work done to the public buildings at Valleyfield, Quebec, in May, 1912; also for a copy of all correspondence, reports and documents relating to the payment in full or a part of their accounts. Presented 19th February, 1913.—*Mr. Papineau*.....*Not printed.*

137. Return to an Order of the House of the 4th December, 1912, for a return showing the amount of money expended in improving the channel of the Ottawa river between the city of Hull and the village of Masson. Presented 19th February, 1913.—*Mr. Devlin.* *Not printed.*

138. Return to an Order of the House of the 4th December, 1912, for a copy of all documents relating to the transferring of P. E. Amiot, resident engineer of the Department of Public Works, Bonaventure, Quebec, to the district of Chicoutimi and Saguenay, and the appointment in his stead, in Bonaventure County, of Charles E. Tache, of Chicoutimi, as resident engineer, with a copy of all the instructions given to the latter and his duties, residence and salary. Presented 19th February, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

139. Return to an Order of the House of the 4th December, 1912, for a copy of all petitions, correspondence, memoranda, reports, and resolutions of county or other municipal councils of Bonaventure County asking or objecting to certain public works in Bonaventure County since October, 1911, with the Minister of Public Works, or any member of the present administration, and replies made thereto. Presented 19th February, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

140. British Canadian Loan and Investment Company, Limited, Toronto, for year 1911.—*(Senate)*.....*Not printed.*

141. Claims of present fish warden, Baker Lake, County of Madawaska, N.B.—*(Senate).* *Not printed.*

141*a*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters, telegrams, reports, information, convictions and other documents in the possession of the Department of Marine and Fisheries or any officer thereof relating to the prosecution in the year 1910, against George Rowlings and James Rowlings, of Musquodoboit Harbour, County of Halifax, for a violation of the fishery regulations. Presented 21st May, 1913.—*Mr. Sinclair*.....*Not printed.*

141*b*. Return to an Order of the House of the 29th January, 1913, for a copy of all papers, letters, telegrams and documents or other communications, had with the Department of Marine and Fisheries or any official thereof, in regard to the prosecutions against the following parties:—Samuel Stewart, Melvin Hart, Andrew McNeil, Thomas M. Neil, Hugh Malcolm, Tom Moffatt, James Waddin, Samuel Wright and Dougald Higgins, of Westville, County of Pictou, for infractions of the Fisheries Act, and of any applications or letters relative to relief from the fines imposed or the return of the same; and also of all papers, letters, and other documents relating to a charge against Rod. Martin, of Westville aforesaid, a fishery guardian, for illegal fishing and other offences. Presented 21st May, 1913.—*Mr. Macdonald*.....*Not printed.*

141*a* Claims of Messrs. Boulanger and Son, Montmagny, Quebec.—*(Senate)*....*Not printed.*

142. Copy of Report of Minister of Justice in *re* Florence Mining Company.—*(Senate).* *Not printed.*

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143. Instruction sent to the different Lieutenant Governors of different provinces of Canada, with commissions.—(*Senate*)..... .....*Not printed.*

144. Return to an Order of the House of the 15th January, 1913, for a copy of all papers, letters, documents, telegrams, reports and opinions in relation to the claim of William Iceton, of Purcell's Cove for a return of a boat from the Department of Marine and Fisheries or any other department. Presented 20th February, 1913.—*Mr. Macdonald* ....*Not printed.*

145. Return to an Address to His Royal Highness the Governor General of the 9th December 1912, for a copy of all papers, telegrams, letters and orders in council respecting the transfer of the property known as the Police Point Reserve to the corporation of the City of Medicine Hat, Alberta. Presented 20th February, 1913.—*Mr. Buchanan.* *Not printed.*

146. Return to an Order of the House of the 29th January, 1913, for a copy of the inquiry made by F. B. Atkinson, Lévis, as to an accident that happened to the horse of Arsene Lauzier, at Amqui, County of Rimouski, on the 19th February, 1912. Presented 20th February, 1913.—*Mr. Boulay*.....*Not printed.*

147. Correspondence, memoranda, &c., in respect to the issue of a patent for the N. ½ of S. W. ¼ of section 8, in township 49, range 26, west of the 2nd meridian, to one Arthur Donaldson, bearing date the 19th November, 1912. Presented by Hon. Mr. Roche, 20th February, 1913..... .....*Not printed.*

147*a*. Return to an Order of the House of the 12th February, 1913, for a copy of all letters, telegrams and other documents with respect to the north half of the southwest quarter of section eight (8), township forty-nine (49), range twenty-six (26), west of the second meridian, province of Saskatchewan, and the granting of a homestead entry for the said land to one Arthur Donaldson. Presented 6th June, 1913.—*Mr. Martin (Regina)*..... .....*Not printed.*

148. Return to an Order of the House of the 12th February, 1913, for a copy of all papers, reports and other documents relating to the delay of the Indian Department in issuing patents for lands purchased from the St. Peters band of Indians, and forming part of the St. Peters Indian reserve, Manitoba. Presented 25th February, 1913. —*Mr. Oliver*..... .....*Not printed.*

149. Return an Address to His Royal Highness the Governor General of the 27th January, 1913, for a copy of all applications addressed to the Government by the Algoma Steel Company for remission of duties on rails imported by the said company at Fort William; of all correspondence on the same, of all evidence sought and obtained by the government and supplied by the company in support of its application; and of all orders in council ordering such remission of duties. Presented 25th February, 1913.— *Sir Wilfrid Laurier*..... .....*Not printed.*

150. Return to an Order of the House of the 24th February, 1913, for a return showing the stenographers and secretaries of the House of Commons, and the names of the members for whom each of them work. Presented 26th February, 1913.—*Mr. Boulay.* *Not printed.*

150*a*. Return to an Order of the House of the 31st March, ultimo, for a return giving the names and home addresses of the persons employed in the House of Commons as stenographers to members. Presented 1st April, 1913.—*Mr. Martin (Regina).* *Not printed.*

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151. Return to an Order of the House of the 16th January, 1913, for a return showing the number of bushels of grain and barrels or sacks of flour which were shipped from Montreal, Quebec, St. John, N.B., and Halifax, for twelve months preceding the 31st day of December, 1912; the kinds of each product respectively, and the quantities of said commodities at each of above points which were domestic and foreign. Presented 26th February, 1913.—*Mr. Bennett (Simcoe)*.....*Not printed.*

152. Return to an Order of the House of the 19th February, 1913, for a return showing in detail the quantity and values, respectively, of the imports and exports of Canada with Great Britain, United States, Australia and New Zealand, during the year ending 31st March, 1912, in horses, cattle, sheep, hogs, bacon, hams, fresh and salted beef, lard, tallow, mutton, canned meats, butter, cheese, eggs, poultry and apples. Presented 26th February, 1913.—*Mr. Sutherland*.....*Not printed.*

153. Return to an Address to His Royal Highness the Governor General of the 26th February, 1912, for a copy of all letters, documents and correspondence relating to action by the Government in regrd to the relief of the shareholders and depositors of the Farmer's Bank, and of the order in council appointing Sir William Meredith as Commisioner, and all correspondence in relation thereto. Presented 26th February, 1913. —*Mr. Macdonald*.....*Not printed.*

153*a*. Report of the Honourable Sir William Ralph Meredith, Kt., Commissioner appointed to make investigation into all matters connected with the Farmers Bank of Canada. Presented by Hon. Mr. White, 26th February, 1913.

Printed for distribution and sessional papers.

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(This volume is bound in three parts.)

153*b*. Report of Royal Commission authorized by orders in council dated 19th day of July, 1912, and the 5th day of August, 1912, to inquire into alleged complaints as to methods of weighing butter and cheese in Montreal, and also as to the methods of payment. Presented by Hon. Mr. Burrell, 30th May, 1913.

Printed for distribution and sessional papers.

154. Return to an Order of the House of the 27th January, 1912, for a return showing the amount of the subsidy paid to each of the four original provinces of the Dominion at Confederation, and the population on which such payment was based; the subsidy payable to each of the remaining five provinces on entering the union, and the population on which such payment was based; the sum added to the subsidy of any province as better terms, and the date which such addition was made respectively; the details of each readjustment of subsidies since 1867, and the yearly subsidy at present payable to each province, with the population on which such payment is based, and the original debt allowance, if any, respectively, placed to the credit of each province on entering the union. Presented 27th February, 1913.—*Mr. Sinclair.*

Printed for sessional papers only.

155. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence in regard to the disposition of the Marine Hospital at Pictou to the town of Pictou, or any other corporation or person. Presented 27th February, 1913.—*Mr. Macdonald*.....*Not printed.*

156. Return to an Order of the House of the 29th January, 1913, for a copy of all letters, tenders, contracts, papers and other documents in the possession of the Department of Marine and Fisheries relating to the making and cancellation of a contract or agreement between the said department and one Charles G. Giffin, of Isaac Harbour,

CONTENTS OF VOLUME 28.—*Continued.*

N.S., to perform certain services for the lobster hatchery at that place, and also relating to a subsequent agreement with one Philip McArthur to perform similar duties. Presented 27th February, 1913.—*Mr. Sinclair*.....*Not printed.*

157. Return to an Order of the House of the 29th January, 1913, for a copy of all papers and correspondence concerning the claim of Charles Mennier, ex-Collector of Customs at Marieville, Quebec, for rent. Presented 28th February, 1913.—*Mr. Lemieux.*
Not printed.

158. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, correspondence, documents and reports relating to the closing of the post office at Pomket river, Antigonish County, Nova Scotia, and the cancellation of the contract for the carrying of the mail between Heatherton and Pomket river. Presented 28th February, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

158*a*. Return to an Order of the House of the 27th January, 1913, for a copy of all letters, telegrams, petitions and other correspondence and documents received by the Post Office Department during the last twelve months from the honourable member for East Grey and others, relating to the closing of the post office at Harkaway, County of Grey, province of Ontario, and of the proposed change in the mail service. Presented 28th March, 1913.—*Mr. Lanctot*.....*Not printed.*

159. Claims put forth by and on behalf of Indians of British Columbia—Report of James T. McKenna on.—(*Senate*).....*Not printed.*

159*a*. Return to an Address to His Royal Highness the Governor General of the 20th January, 1913, for a copy of all correspondence between the Government of British Columbia and the Government of Canada concerning the rights and claims of the Indians in the province, and of all orders in council with regard to the same. Presented 14th May, 1913.—*Sir Wilfrid Laurier*.....*Not printed.*

159*b*. Return to an Order of the House of the 28th April, 1913, for a copy of all correspondence, reports and recommendations from Rev. R. L. Macdonald, Indian agent at Salmon River reserve, Richmond County, N.S., relating to the Indian school in said reserve; and of all correspondence and instructions from the Department of Indian Affairs to the said Indian agent, relating to the same; also a copy of all complaints, charges and reports against Miss Charlotte M. Devereaux, teacher of the said school, and of all correspondence and recommendations relating to the appointment of Earnest McNeil to succeed her, since 1st January, 1912. Presented 23rd May, 1913.—*Mr. Kyte*.....*Not printed.*

159*c*. Return to an Order of the House of the 12th May, 1913, for a copy of the last surrender and of all papers, correspondence and other documents in connection with the surrender of part of the White Bear Indian Reserve; together with a copy of all letters and telegrams referring to this surrender by officials of the Department or others, and of the authority on which this surrender was taken, the number of acres surrendered, and how disposed of. Presented 23rd May, 1913.—*Mr. Bradbury.*
Not printed.

159*d*. Return to an Order of the House of the 30th April, 1913, for a copy of all letters, papers, memoranda and other documents, dated since 1st January, 1912, relating to the Kitsilano Indian Reserve in the City of Vancouver. Presented 23rd May, 1913.—*Mr. Oliver*.....*Not printed.*

160. Immigrants—number of, who settled in Canada, in 1911-12, and from whence.—(*Senate*).
Not printed.

CONTENTS OF VOLUME 28.—*Continued.*

160*a*. Return to an Order of the House of the 7th May, 1913, for a return showing the number of immigrants coming into Canada during the year ending 31st March, 1913, inspected by the government medical inspectors; the total cost of such medical inspections; the number of medical doctors employed by the government during that period; the name, salary and location of each, including those resident in Ottawa. Presented 6th June, 1913.—*Mr. Schaffner*.....*Not printed.*

161. Correspondence with Mr. V. Steffansson concerning northern expedition. Presented by Hon. Mr. Hazen, 3rd March, 1913.....*Not printed.*

161*a*. Copy of order in council No. P.C. 406 of the 22nd February, 1913, with reference to Mr. V. Steffansson's proposed northern expedition. Presented by Hon. Mr. Hazen, 10th March, 1913.....*Not printed.*

162. Return to an Address to His Royal Highness the Governor General of the 25th March, 1912, for a copy of all letters, requests, petitions, orders in council and other documents in the possession of the Department of Marine and Fisheries relating to the change in the fishery regulations by which steam trawlers were prohibited from participating in the fishing bounty. Presented 3rd March, 1913.—*Mr. Sinclair.*
Not printed.

162*a*. Return to an Address to His Royal Highness the Governor General, of the 10th February, 1913, for a copy of all petitions, correspondence, reports of experts or officers, of orders in council, minutes of council, and of other papers and documents in the possession of the Department of Marine and Fisheries, or any department of the government, relating to steam trawling on the Atlantic seaboard. Presented 15th April, 1913.—*Mr. Sinclair*.....*Not printed.*

163. Return to an Order of the House of the 19th February, 1913, for a copy of all correspondence, papers, accounts, vouchers, concerning the purchase and subsequent repairs of a private car by the Department of Militia and Defence, from the Canadian Northern Railway Company. Presented 3rd March, 1913.—*Mr. Lemieux.*
Not printed.

164. Return to an Order of the House of the 24th February, 1913, for a return showing separately the amount paid by the Department of Indian Affairs for medical attendance on account of the Indians on the Micmac reserve of Ste. Anne de Restigouche, Quebec, for each year from 1900 to 1913, inclusive, and to whom paid. Presented 10th March, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

165. Return to an Order of the House of the 19th February, 1913, for a copy of all correspondence, letters, telegrams and other documents relative to the sale of alleged Indian lands at Nyanza, riding of North Cape Breton and Victoria, N.S., to one Philip McDonald, such sale having taken place about the year 1877. Presented 17th March, 1913.—*Mr. McKenzie*.....*Not printed.*

165*a*. Return to an Order of the House of the 7th May, 1913, for a return showing the number of acres surrendered by the Coté's Band of Indians, the number of acres sold by private sale, the number of acres still unsold; together with a copy of all letters from persons who made application for purchase of surrendered lands in Coté's reserve, or from any person on behalf of purchasers and replies thereto; and of all reports, letters or memoranda addressed to the Superintendent General of Indian Affairs, from any officer of the department respecting the private sale of said lands; also a copy of any document or documents covering the authority under which these lands were sold by private sale, and of all letters addressed to the department, or any officer of department, respecting the sale of said lands. Presented 3rd June, 1913.—*Mr. Bradbury*.....*Not printed.*

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166. Return to an Order of the House of the 12th February, 1913, for a copy of all letters, reports and other documents received by the Minister of Labour regarding labour conditions on the Grand Trunk Pacific between Tête Jaune Cache and Fort George. Presented 17th March, 1913.—*Mr. Oliver*.....*Not printed.*

167. Return to an Address to His Royal Highness the Governor General of the 3rd February, 1913, for a copy of all telegrams, letters and other documents passing between the Government of Canada, or any member thereof, and the Government of the Province of Saskatchewan, or any member thereof, with respect to chapter 17 of the statutes of Saskatchewan, 1912, being an Act to prevent the employment of female labour in certain capacities. Presented 17th March, 1913.—*Mr. Martin (Regina)*.....*Not printed.*

168. Return to an Order of the House of the 10th December, 1912, for a copy of all correspondence, petitions and other papers received by the Prime Minister, or any member of the government, since the 1st April, 1912, in connection with the school system established in that portion of the Keewatin Territory annexed to the province of Manitoba. Presented 17th March, 1913.—*Mr. Macdonald*.....*Not printed.*

169. Return to an Order of the House of the 29th January, 1913, for a return showing the number of accidents to lock gates or bridges on the Welland Canal during the year ending 25th November, 1912, the nature of the accidents, the amount of damage in each case and the amount recovered by the Government from vessel owners in each instance. Presented 18th March, 1913.—*Mr. Graham*.....*Not printed.*

170 Return to an Order of the House of the 3rd March, 1913, for a copy of the contract passed on the 6th day of August, 1910, between the City of Quebec and the Transcontinental Railway Commissioners, for the acquisition by the latter of the property known as Champlain Market, to be used as a station and terminals for the said railway; of all the correspondence between the said city and the present Commissioner of the said railway, with the Minister of Railways, or any other Minister, with regard to the non-execution of the said contract by the said commission. Presented 18th March, 1913.—*Sir Wilfrid Laurier*.....*Printed for sessional papers only.*

171. Return to an Order of the House of the 29th of January, 1913, for a copy of all letters, correspondence, &c., respecting the request for suspension by H. Boulay, of J. Stahl, assistant inspector of immigration on the railway. Presented 19th March, 1913.—*Mr. Boulay* .....*Not printed.*

172. Return to an Order of the House of the 17th February, 1913, for a return showing the total area of land thrown open for pre-emption and purchased homesteads in each of the provinces of Saskatchewan and Alberta since the passing of the Dominion Lands Act of 1908; also the number of acres of such lands which have been disposed of by way of pre-emptions and purchased homesteads in each of the said provinces, the amount of principal money collected on account of such lands in each of the said provinces up to 31st December, 1912, and the amount of interest collected on account of such lands in each of the said provinces to 31st December, 1912. Presented 19th March, 1913.—*Mr. Martin (Regina)*.....*Not printed*

173. Return to an Order of the House of the 10th February, 1913, for a copy of all letters, correspondence, memorials and other documents received by the Right Honourable the Prime Minister and the Honourable the Minister of Justice, since the 1st day of January, 1912, relating to the request by county court judges for an increase of salary and for an amendment to the Judges Act with respect to retiring allowances. Presented 26th March, 1913.—*Mr. Proulx*.....*Not printed.*

CONTENTS OF VOLUME 28.—*Continued.*

174. Return to an Order of the House of the 13th February, 1913, for a return showing the names of the keepers in Portsmouth penitentiary, and their religious belief; the names of any of the said keepers who may have been dismissed, the date, charges and on whose recommendation were they reinstated. Presented 26th March, 1913.—*Mr. Edwards*.....*Not printed.*

174a. Return to an Order of the House of the 13th February, 1913, for the name of the discipline officer in charge of each of the following departments in Portsmouth penitentiary, the date when each was first appointed on the penitentiary staff, the date to his present position, and the religious belief of each: Quarry, farm, warden's residence and grounds, blacksmith shop, bath room and laundry, stone shed, tailor and shoe shop, changing room, stone pile, sewage plant, asylum ward, cell wings, library and Roman Catholic and Protestant chapels, hospital, shop dome, carpenter, tin and paint shop, and prison of isolation. Presented 26th March, 1913.—*Mr. Edwards.*
Not printed.

175. Return to an Order of the House of the 17th February, 1913, for a copy of all statements of account for salary or remuneration to the Commissioner, and his expenses, for witness fees and all other expenses in connection with the investigations by Commissioner Duchemin, of the following persons in Antigonish County namely: Patrick M. Decoste, deckhand SS. *Scotia*, Harbour au Boucher; William R. Fougère, sectionman, Harbour au Bouche; Allen Kinney, sectionman, Linwood; Hubert Myatte, sectionman, Tracadie; John McDonell, sectionman, Afton Station; John W. Malanson, sectionman, Afton; James Armstrong, sectionman, Heatherton; Charles Landry, sectionman, Pomket; William S. Landry, section foreman, Pomket; Colin McDonald, sectionman, James River; Archibald Chisholm, station agent, Heatherton; Joseph Benoit, station agent, Pomket; Alex. R. McAdam, fishery officer, Malignant Cove; Alex. McDonald, sub-collector, Doctors Brook; Charles L. Gass, sub-collector, Bayfield; Jeffrey M. Crispo, sub-collector, Harbour au Bouche; Hugh R. McAdam, postmaster, Arisaig; Thomas J. Sears, postmaster, Lochaber, Charles L. Gass, postmaster, Bayfield; and Joseph P. Benoit, postmaster, Pomquet; also the expenses in detail, of and incidental to the investigation by said Commissioner Duchemin of the charges made against John J. McDonald, postmaster, McArra's Brook; Archibald Stewart, section foreman, Harbour au Bouche; Ronald McFarlane, section foreman, Williams Point; Henry Williams, sectionman, Marshy Hope; and John W. McInnes, bridge foreman Intercolonial Railway, Antigonish. Presented 26th March, 1913.—*Mr. Chisholm (Antigonish)*.....*Not printed.*

175a. Return to an Order of the House of the 28th April, 1913, for a return showing the date of the appointment of H. P. Duchemin, Investigating Commissioner for Eastern Nova Scotia; the number of days he has been employed by the government since the appointment; the gross amount paid to Mr. Duchemin as an allowance for his services, excluding travelling expenses or other outlay; the amount which has been paid to Mr. Duchemin to date for travelling expenses, living expenses, witness fees, and other sundry expenses, respectively. Presented 21st May, 1913.—*Mr. Sinclair.*
Not printed.

176. Return to an Order of the House of the 4th December, 1912, for a copy of the report or reports made by C. E. Taché, resident engineer of Bonaventure County, Quebec, on public works existing or asked for in that constituency since October, 1911, up to date. Presented 28th March, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

177. Return to an Order of the House of the 6th February, 1913, for a return showing what properties within the area north of Wellington street and west of Bank street, in the City of Ottawa, have been purchased or acquired by the Government; from whom the said purchases were made, and the price paid, or agreed to be paid, in each case; the

CONTENTS OF VOLUME 28.—*Continued.*

number of said properties not yet paid for, the names of the owners thereof, and amount, if any, in dispute in each case; the names of the persons who were employed in any capacity, or for any purpose, in connection with the purchase of the said properties, and the terms of their employment; the amount which has been paid to each, and further amounts to be paid to such persons, giving their respective names; whether the Government has employed any persons or agents to collect rent from the tenants or occupants of any of the said properties, if so, the names of such rent collectors, for what period employed, and amount by way of salary, fees, or commission, paid to each; the total amount paid by the Government up to 31st January, 1913, in connection with the purchase or acquisition of the said properties. Presented 28th March, 1913.—*Mr. Murphy* .....*Not printed.*

178. Return to an Order of the House of the 24th January, 1913, for a copy of all correspondence between the Minister of Public Works and H. Morel, M.P.P., for East Nipissing, in any way relating to the construction of a road or highway from North Bay to Sturgeon Falls, Ontario; and of all petitions, correspondence, surveys, and engineers' reports in any way connected with the building of the said road or highway. Presented 28th March, 1913.—*Mr. Murphy*.....*Not printed.*

179. Return to an Order of the House of the 4th December, 1912, for a copy of all pay-lists, letters, documents, telegrams and other papers in connection with the expenditures made on Brulé wharf in the County of Colchester during the last two years. Presented 28th March, 1913.—*Mr. Macdonald*.....*Not printed.*

179a. Return to an Order of the House of the 10th December, 1912, for a copy of all papers, documents, tenders and correspondence relating in any way to the construction of a wharf at Kraut Point, Lunenburg County, N.S. Presented 28th March, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

180. Return to an Order of the House of the 29th January, 1913, for a copy of all correspondence, papers, &c., concerning the application made by the Eastern Canada Power Company, with a view to raise the head of the River St. Lawrence in the vicinity of Coteau, Cedar, Split Rock and Cascade rapids to the level of the water in Lake St. François. Presented 28th March, 1913.—*Mr. Lemieux*.....*Not printed.*

181. Return to an Order of the House of the 4th December, 1912, for a copy of all correspondence, letters and telegrams addressed by the Conservative candidate in the County of Gloucester at the election of 21st September, 1911, to the Minister of Public Works from the day he took his oath of office, on 10th October, 1911, up to the 31st December, of the same year, on the subject of public works then under construction in the said county. Presented 28th March, 1913.—*Mr. Turgeon*.....*Not printed.*

182. Return to an Order of the House of the 10th March, 1913, for a return showing the number of men of the R. C. regiment at Aldershot, during the summer of 1912, previous to the regular militia camp; date of going into camp; number there during said time; whether tenders for supplies for these men were called for; number of tenders received and from whom; if any contracts were awarded on said tenders and, if not, what was done with the said tenders; how and from whom were supplies for these men obtained; the prices paid during said time per pound respectively, for meat, sugar, butter, tea, coffee bacon, bread, and how much per bushel for vegetables; the cost per ration for supplies for said men of the R. C. regiment at Aldershot camp during the time aforesaid; the cost per ration for supplies to the regular militia camp under contract during the annual drill in the fall of 1912. Presented 28th March, 1913.—*Mr. Kyte*.....*Not printed.*

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183. Report on wholesale prices in Canada, 1912, by R. H. Coats, B.A., F.S.S., editor of the *Labour Gazette*. Presented by Hon. Mr. Crothers, 28th March, 1913....*Not printed.*

184. Area of territories added to Ontario and Quebec, by Statutes of 1912.—(*Senate*). *Not printed.*

185. Relating to recent increase in prices charged Canadian fishermen for manilla cord.—(*Senate*).....*Not printed.*

186. Report of the Pilotage Commission of Quebec. Presented by Hon. Mr. Hazen, 28th March, 1913.....*Not printed.*

187. Return to an Order of the House of the 26th February, 1913, for a copy of all memoranda, letters, papers, telegrams and other documents in the possession of the Department of the Interior relating to the S. W. 36-16-27, W. 2. Presented 31st March, 1913. —*Mr. Knowles*.....*Not printed.*

187*a*. Return to an Order of the House of the 3rd March, 1913, for a copy of all correspondence, telegrams and other papers in connection with the southwest ¼ of 4-9-14 west of 2nd meridian. Presented 10th April, 1913.—*Mr. Bradbury*.....*Not printed.*

187*b*. Return to an Order of the House of the 26th March, 1913, for a copy of all papers, letters, memoranda and other documents relating to the northwest of 30-25-7-2. Presented 25th April, 1913.—*Mr. Oliver*.....*Not printed.*

187*c*. Return to an Order of the House of the 3rd March, 1913,—1. For a copy of all correspondence and other papers in connection with the disposal of the following lands and the claim of James W. Brown in connection with these lands:—

Part of S.E. ¼ section 21-20-21-W. 2nd meridian, area 5/100ths acre.
Part of N.E. ¼ section 21-20-21-W. 2nd meridian, area 116 9/100ths acre
Part of S.E. ¼ section 20-20-21-W. 2nd meridian, area 80 acres.
Part of S.W. ¼ section 28-20-21-W. 2nd meridian, area 72 41/100ths acres.
Whole of S.E. ¼ section 28-20-21-W. 2nd meridian, area 160 acres.
Whole of N.E. ¼ section 32-20-21-W. 2nd meridian, area 160 acres.
Part of S.E. ¼ section 32-20-21-W. 2nd meridian, area 80 acres.
Whole of N.W. ¼ section 5-21-21-W. 2nd meridian, area 160 acres.
Whole of S.E. ¼ section 5-21-21-W. 2nd meridian, area 160 acres.
Part of N.E. ¼ section 5-21-21-W. 2nd meridian, area 123 85/100ths acres.
Whole of S.W. ¼ section 5-21-21-W. 2nd meridian, area 160 acres.

2. Also of all papers in connection with the disposal of the whole of the northwest quarter-section 22-20-21, west of the second meridian; and part of S.W. ¼, 2-20-21-W. of the second meridian; and of all correspondence and papers in connection with Alexander Hurst Brown's claim *re* these lands. Presented 30th April, 1913.—*Mr. Bradbury*.....*Not printed.*

187*d*. Return to an Order of the House of the 9th April, 1913, for a copy of all letters, papers, telegrams and other documents in connection with the sale of the N.W. quarter-section 29 10-18-W. Presented 13th May, 1913.—*Mr. Turriff*.....*Not printed.*

187*e*. Return to an Order of the House of the 28th April, 1913, for a copy of all letters, memoranda and other documents relating to the northeast quarter of 14-75-15-5, during the years 1911, 1912, and 1913 to date. Presented 13th May, 1913.—*Mr. Oliver*. *Not printed.*

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187*f*. Return to an Order of the House of the 31st March, 1913, for a copy of all papers, telegrams, applications, and other documents in connection with the S.W. 2-19-20, west 2nd M. Homestead, patented 3rd June, 1892; the S. ½ of N.E. 20-20-21, west 2nd M. patented 11th October, 1904, N.W.H.B., as assignee of Edward Boucher; the S.E. ¼ of 22-20-21, west 2nd M., N.W.H.B., patented 22nd September, 1900, as assignee of Louis McGillies; the S.E. ¼ of 28-20 21, west 2nd M., N.W.H.B., patented 26th August, 1901, as assignee of J. Bte. Fagant, jr., and the E. ½ of S.E. ¼ of 32-20-21, west 2nd M., N.W.H.B., patented 11th September, 1901, as assignee of Jos. Alexander; and of all papers in connection with any claims of G. W. Brown or others in connection with these lands. Presented 3rd June, 1913.—*Mr. Bradbury*.....*Not printed.*

187*g*. Return to an Order of the House of the 31st March, 1913, for a copy of all papers, telegrams, applications and other documents regarding the S.W. ¼, 28-20-21, west 2nd M., N.W.H.B., patented 1st March, 1909, as assignee of Norbert Bellehumeur; and the W. ½ of S.E. ¼, 32, 20, 21, west 2nd M., N.W.H.B., patented 1st March, 1909, as assignee of Norbert Bellehumeur; and of all papers in connection with any claims by Norman McKenzie or others against the Government in connection with these lands. Presented 4th June, 1913.—*Mr. Bradbury*.....*Not printed.*

188. Return to an Order of the House of the 10th March, 1913, for a copy of all correspondence or communication of any kind between the Department of Insurance at Ottawa and the Department of Insurance at Toronto since June, 1907, touching the transfer of the Canadian Guardian Life Insurance Company from the jurisdiction of the Insurance Department at Ottawa to that of the jurisdiction of the Insurance Department at Toronto; of all correspondence, if any, between the Insurance Department at Ottawa and the *Saturday Night*, newspaper of Toronto, touching the affairs of the Canadian Guardian Life Insurance Company or the International Insurance Company, Limited; and of all correspondence and other communications between the Department of Insurance at Ottawa and the Government of the province of Alberta in reference to the affairs of the Canadian Guardian Life Insurance Company or the International Insurance Company, Limited. Presented 31st March, 1913.—*Mr. German.*

Not printed.

189. Copy of an Order in Council, &c., respecting a contribution of $30,000 to assist in alleviating the distress of the sufferers by the disastrous cyclone which swept over the City of Regina and its vicinity. Presented by Hon. Mr. White, 31st March, 1913.

Not printed.

190. Copy of correspondence respecting the Treaty of Commerce and Navigation between the United Kingdom and Japan. Presented by Hon. Mr. Borden, 1st April, 1913.

Printed for sessional papers only.

190*a*. From Imperial Consulate General of Japan for the Dominion of Canada. The undersigned, His Imperial Majesty's Consul General at Ottawa, duly authorized by His Government, has the honour to declare that the Imperial Japanese Government are fully prepared to maintain with equal effectiveness the limitation and control which they have since 1908 exercised in the regulation of emigration from Japan to Canada. 11th April, 1913. Presented by Hon. Mr. Borden, 11th April, 1913.....*Not printed.*

191. Copy of the order in council in connection with the appointment of a Commission to inquire into the claims of the province of British Columbia for exceptional treatment. Presented by Hon. Mr. Borden, 1st April, 1913.....*Printed for sessional papers only.*

191*a*. Memorandum *re* British Columbia's claims for special consideration. Presented by Hon. Mr. Borden, 1st April, 1913.....*Printed for sessional papers only.*

CONTENTS OF VOLUME 28.—*Continued.*

191*b*. Copies of orders in council, &c., relating to the appointment of commissioners to adjust all matters relating to Indian lands and Indian affairs generally in the province of British Columbia. Presented by Hon. Mr. Borden, 17th April, 1913.
Not printed.

191*c*. Report of the Royal Commission appointed to inquire into and report upon the law respecting pilotage and its administration in the pilotage districts of Montreal and Quebec; and what changes, if any, are desirable therein; and also, a letter addressed to the Minister of Marine and Fisheries from Mr. Ajutor Lachance, one of the commissioners. Presented by Hon. Mr. Hazen, 18th April, 1913.....*Not printed.*

191*d*. Report of Royal Commission on Industrial Training and Technical Education, Parts I, II, III. and IV. Presented by Hon. Mr. Crothers, 4th June, 1913.
Printed for distribution and sessional papers.

192. Return to an Order of the House of the 24th February, 1913, for a copy of all memoranda, letters, papers and documents relating to the setting apart of a forest reserve on the north side of the Saskatchewan river opposite the City of Prince Albert. Presented 2nd April, 1913.—*Mr. Oliver*.....*Not printed.*

192*a*. Return to an Order of the House of the 26th February, 1913, for a copy of all memoranda, reports, letters, and other documents of any kind in the possession of the Department of the Interior relating to the suitability for forest reserve or for homesteading purposes, of the whole or any part of townships 24 and 25, range 27, west of the first meridian, now forming part of the Riding Mountain Forest Reserve. Presented 11th April, 1913.—*Mr. Oliver*.....*Not printed.*

193. Return to an Order of the House of the 10th February, 1913, for a copy of all correspondence exchanged between the Department of Marine and Fisheries and the member for Temiscouata, and all other persons, respecting the placing of a light or line of lights on wharf at Ile Verte, County of Temiscouata. Presented 4th April, 1913.—*Mr. Paquet*.....*Not printed.*

194. Copy of a report of the Committee of the Privy Council, approved by His Excellency the Administrator, on the 5th April, 1913, relative to a contract for an ocean mail, passenger and freight steamship service between Canada and Great Britain and Great Britain and Canada, together with the articles of agreement for the said service. Presented by Hon. Mr. Pelletier, 7th April, 1913.....*Not printed.*

195. Return to an Order of the House of the 10th March, 1913, for a statement showing the total volume of trade, in import and export, respectively, between Canada and Newfoundland for each year during the period from the 1st day of January, 1896, to the 1st day of January, 1913, and of what the said trade consisted of each year.

2. The volume of trade between Newfoundland and the West Indian Islands, included in the West Indian trade agreement with Canada, dated the 9th day of April, 1912, during the years 1909, 1910, 1911 and 1912, in import and export, and of what the said import and export consisted of each year. Presented 10th April, 1913.—*Mr. McKenzie.*
Not printed.

195*a*. Supplementary return to an Order of the House of the 10th March, 1913, for a statement showing the total volume of trade, in import and export, respectively, between Canada and Newfoundland for each year during the period from the 1st day of January, 1896, to the 1st day of January, 1913, and of what the said trade consisted of each year.

CONTENTS OF VOLUME 28.—*Continued.*

2. The volume of trade between Newfoundland and the West Indian Islands, included in the West Indian trade agreement with Canada, dated the 9th day of April, 1912, during the years 1909, 1910 1911 and 1912, in import and export, and of what the said import and export consisted of each year. Presented 21st April, 1913.—*Mr. McKenzie* ....*Not printed.*

196. Return to an Order of the House of the 9th December, 1912, for a copy of all letters, telegrams, and correspondence referring in any way to the purchase or leasing of the property in Antigonish, N.S., now in use as a gun shed or store house for the equipment of the 18th Field Battery of Artillery. Presented 14th April, 1913.—*Mr. Chisholm (Antigonish)*..... .....*Not printed.*

197. Return to an Order of the House of the 19th March, 1913, for a copy of all tenders asking for the construction of a drill hall at Fernie, B.C., of all correspondence concerning the awarding of the contract, and of all correspondence and documents regarding said tender and contract. Presented 14th April, 1913.—*Sir Wilfrid Laurier.* *Not printed.*

197*a*. Supplementary return to an Order of the House of the 19th March, 1913, for a copy of all tenders asking for the construction of a drill hall at Fernie, B.C., of all correspondence concerning the awarding of the contract, and of all correspondence and documents regarding said tender and contract. Presented 6th June, 1913.—*Sir Wilfrid Laurier*..... ....*Not printed.*

198. Return to an Order of the House of the 24th February, 1913, for a copy of all correspondence and documents between the government of Canada or any officer thereof, and one Miss Mastin, of England, relating to a presentation of certain chinaware and other curiosities, made to the Government by the said Miss Mastin, in memory of the defeat at the polls of the agreement relating to reciprocity with the United States. Presented 14th April, 1913.—*Mr. Sinclair*.....*Not printed.*

199. Return to an Order of the House of the 19th March, 1913, for a return showing the names, professions or occupations, residences, the date of appointment, and the salary in each case, of all correspondents of the *Labour Gazette*, and also the number of changes made in that particular for the year 1912. Presented 22nd April, 1913.—*Mr. Verville* ....*Not printed.*

200. Return to an Order of the House of the 26th March, 1913, for a return showing the amount of seed grain supplied to settlers in Peace River during the year 1912; the amount of seed grain being provided for settlers in Peace River during 1913; who distributed the seed grain supplied in 1912 and who is authorized to distribute seed grain in 1913; under what conditions seed grain was supplied during 1912, and those proposed for 1913; if provisions were supplied during 1912, what the conditions were and who gave out the supplies; if it is intended to supply provisions in 1913, what conditions will be given and who will give them out. Presented 25th April, 1913.—*Mr. Oliver* ....*Not printed.*

201. Return to an Order of the House of the 7th April, 1913, for a copy of all documents in the Department of the Interior prior to the issue of the Crown patents relating to Lot No. 217 of the Hudson Bay Company Survey, in the parish of St. John, Winnipeg. Presented 25th April, 1913.—*Mr. Proulx*.....*Not printed.*

202. Return to an Order of the House of the 31st March, 1913, for a copy of all correspondence claims and reports with reference to compensation claimed by owners of horses attached to the 10th Field Battery at Camp Petawawa in the summer of 1912, by rea-

CONTENTS OF VOLUME 28.—*Continued.*

son of damage or disease contracted while in the service; also of all such claims paid, the amounts in each case, and the persons to whom paid. Presented 25th April, 1913.—*Mr. Carvell*.....*Not printed*

203. Return to an Order of the House of the 11th December, 1912, for a copy of all papers, documents, pay-rolls, accounts, receipts, and correspondence in connection with all expenditures of money made in 1912 upon the Petite Rivière breakwater, Lunenburg County, Nova Scotia. Presented 29th April, 1913.—*Mr. Maclean (Halifax)*.
Not printed.

203a. Return to an Address to His Royal Highness the Governor General of the 9th December, 1912, for a copy of all advertisements, tenders, contracts, orders in council, letters, correspondence, &c., relating to the construction of a wharf or breakwater at Seaforth, Halifax County, N.S. Presented 29th April, 1913.—*Mr. Maclean (Halifax)*.
Not printed.

203b. Return to an Order of the House of the 20th March, 1912, for a copy of all documents, letters, correspondence, petitions, reports, &c., addressed to the Department of Public Works since the 21st September last on the subject of a wharf now under construction at St. Croix, in the County of Lotbinière, province of Quebec. Presented 29th April, 1913.—*Mr. Fortier*.....*Not printed.*

203c. Return to an Order of the House of the 19th March, 1913, for a return showing whether the repairs to Red Point wharf, Lot 48, Prince Edward Island, have been completed; if the work was done by tender or by day labour; if by tender, with whom the contract was made; if by day labour, the number of superintendents, inspectors, or overseers employed, their names, the number of days each did work, and the wages per day paid to each; the number of men employed, their names, the number of days each did work and the wages per day paid to each; who supplied the materials; the amount of each kind or class used, and the price paid for each kind or class; the total amount paid for materials, wages and cost of the work. Presented 2nd May, 1913.—*Mr. Hughes (Kings, P.E.I.)*.....*Not printed.*

203d. Return to an Order of the House of the 31st March, 1913, for a copy of all documents, papers, correspondence, representations, &c., relating to the purchase of land at Digby, Nova Scotia, for the purpose of a site for a public wharf. Presented 2nd May, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

203e. Return to an Order of the House of the 19th March, 1913, for a return showing whether the repairs to Southport wharf, Lot 48, Prince Edward Island, have been completed; if the work was done by tender or by day labour; if by tender, with whom the contract was made; if by day labour, the number of superintendents, inspectors, or overseers employed, their names, the number of days each did work, and wages per day paid to each; the number of men employed, their names, the number of days each did work and the wages per day paid to each; who supplied the materials; the amount of each kind or class used and the price paid for each kind or class; the total amount paid for materials, wages and cost of the work. Presented 2nd May, 1913.—*Mr. Hughes (kings, P.E.I.)*.....*Not printed.*

203f. Return to an Order of the House of the 11th December, 1912, for a copy of all accounts, correspondence, telegrams, complaints and other documents in possession of the Department of Public Works, in relation to the expenditure of moneys on harbour improvements at Grand Etang, during the year 1911-12. Presented 13th May, 1913.—*Mr. Chisholm (Inverness)*.. .. ..*Not printed.*

CONTENTS OF VOLUME 28.—*Continued.*

203*g*. Return to an Order of the House of the 7th April, 1913, for a copy of all documents, correspondence, &c., relating to the purchase by the Department of Public Works of a certain quantity of timber for the construction of a wharf at St. Germain de Kamouraska, the said purchase having been made, as alleged, from Murray Castonguay during the year 1912. Presented 26th May, 1913.—*Mr. Lapointe (Kamouraska).* *Not printed.*

203*h*. Return to an Order of the House of the 29th January, 1913, for a copy of all letters written to the Honourable Minister of Public Works, or to any officer of the Public Works Department, or to any member of the government since 10th October, 1911, by G. A. R. Rowlings, John S. Wells and S. R. Griffin, relating to the construction of public works, County of Guysborough, N.S., also a copy of the replies to the same. Presented 29th May, 1913.—*Mr. Sinclair*.....*Not printed.*

203*i*. Return to an Order of the House of the 7th May, 1913, for a copy of all correspondence exchanged between the Postmaster General and M. Isidore Belleau, of Quebec, in connection with improvements contemplated in Quebec harbour. Presented 2nd June, 1913.—*Mr. Carvell*.....*Not printed.*

203*j*. Return to an Order of the House of the 28th April, 1913, for a copy of all papers, documents, pay-rolls, receipts, accounts, correspondence, &c., relating to repairs made upon the breakwater at Petite Rivière, Lunenburg County, N.S., in the year 1912. Presented 6th June, 1913.—*Mr. Maclean (Halifax)*.....*Not printed.*

204. Return to an Order of the House of the 4th March, 1912.—1. For a copy of all reports of engineers from 1874 to 1900, relating to the most suitable site in the harbour of Quebec for the construction of a dry dock.

2. Of all correspondence exchanged on the subject of a choice of a site for the dry dock now existing at St. Joseph de Lévis, at the time of its construction.

3. Of engineers reports, plans, maps and bearings relating to the construction of a new dry dock in the port of Quebec since 1900.

4. Of all correspondence exchanged between the different companies and the government relating to the construction of a new dry dock in the port of Quebec, since 1909.

5. Also for the production of all documents submitted by the different companies who have asked for the government grant provided by the Dry Dock Subsidies Act. Presented 29th April, 1913.—*Mr. Béland*.....*Not printed.*

204*a*. Dry dock of Lévis. Report of Mr. Charles Smith against Sampson, et al.—(*Senate*). *Not printed.*

204*b*. Return to an Address to His Royal Highness the Governor General of the 19th March, 1913, for a copy of all orders in council, plans and estimates, correspondence, papers and inquiries respecting the construction of a dry dock at Quebec or Lévis or in the port or harbour of Quebec. Presented 6th June, 1913.—*Mr. Lachance*....*Not printed.*

205. Return to an Order of the House of the 9th April, 1913, for a copy of the petition of the Restigouche Fishermen's Association to the Minister of Marine and Fisheries asking for the removal of Mr. M. M. Mowat, head guardian of the Restigouche Riparian Association as Dominion fishery officer, and the answer thereto. Presented 2nd May, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

206. Return to an Order of the House of the 13th February, 1913, for a return showing the name of the company who has the contract for the electric lighting of the government buildings and grounds in Ottawa, date of contract and period, on what notice can contract be cancelled, price paid per kilowatt hour for electric lighting, names of

CONTENTS OF VOLUME 28.—*Continued.*

buildings lighted, cost of lighting each per year, rate for electric lighting if a combined power and light rate, price for current for power purposes, if lamps are not free, price paid for the carbon and tungsten lamps renewed, are lamps marked so as to be identified as belonging to the government buildings, number of electric lamp renewals paid for during the last fiscal year, where required, number of carbon and tungsten lamps respectively in use in the several buildings and the candle power or wattage of the same. Presented 2nd May, 1913.—*Mr. Wilson (Wentworth)*

Not printed.

207. Return to an Order of the House of the 17th February, 1913, for a copy of all correspondence, letters, telegrams, petitions, memoranda, reports, tenders, deposits, recommendations and all other documents of any nature whatsoever bearing on or having relation to the erection of a public building in the city of Three Rivers, P.Q., since the 11th day of October, 1911, to date. Presented 2nd May, 1913.—*Mr. Bureau.*

Not printed.

207*a*. Return to an Order of the House of the 26th May, 1913, for a copy of all papers, letters, and documents relating to the construction of a public building in the town of Laurentides, County of L'Assomption. Presented 4th June, 1913.—*Mr. Seguin.*

Not printed.

207*b*. Return to an Order of the House of the 2nd April, 1913, for a copy of all correspondence, letters, telegrams, contracts, tenders and reports of government inspector, in relation to the work and repairs on the public building at North Sydney during the year 1912, and particularly the inspector's report on the damages caused by fire during the construction of said works and repairs; and also a copy of the tenders of Henry Lovell, for the above work. Presented 6th June, 1913.—*Mr. McKenzie.*

Not printed.

207*c*. Return to an Order of the House of the 27th January, 1913, for a copy of all telegrams, letters, documents and plans relative to the purchase or acquirement of land for the purpose of erecting a public building in Stellarton, Nova Scotia, in the year 1912. Presented 6th June, 1913.—*Mr. Macdonald*.....*Not printed.*

208. Return to an Order of the House of the 24th February, 1913, for a return showing the names of the buildings occupied by the Government as public offices, which are under rent, excepting the Centre, East, West and Langevin Blocks; the street on which each of these offices is situated and the number of the street in each case. Presented 2nd May, 1913.—*Mr. Boulay*.....*Not printed.*

209. Return to an Order of the House of the 11th December, 1912, for a copy of all accounts, correspondence, telegrams, complaints and other documents in possession of the Department of Public Works, relating to the construction of telegraph lines during the year 1911-12, from South West Margaree to Scotsville, from Scotsville to North Ainslee; from Scotsville to South Lake Ainslee and Whycocomagh; from Little Narrows to Whycocomagh; from Rossville to Big Intervale and from Rossville to the Victoria County Boundary Line, all in the County of Inverness. Presented 2nd May, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed.*

210. Correspondence in connection with the area or areas prescribed for mange in British Columbia.—(*Senate*).... ....*Not printed.*

211. Report made by the Central Railway of Canada to the Railway Department.—(*Senate*).

Not printed.

CONTENTS OF VOLUME 28.—*Continued.*

212. Return to an Address to His Royal Highness the Governor General of the 10th February, 1913, for a copy of all orders in council, letters, telegrams and of all other official documents of any kind in the possession of the Department of Customs, relating to the seizures of twenty horses from John Gobel, for smuggling them across the United States boundary near Coutts, or Writing-on-Stone, between the 20th and 28th of February, 1911. Presented 5th May, 1913.—*Mr. MacNutt*.....*Not printed.*

213. Return to an Address to His Royal Highness the Governor General of the 10th February, 1913, for a copy of all orders in council, letters, telegrams and of all other official documents of any kind in the possession of the Department of the Interior, relating to sale of school lands which have been held in the province of Alberta and Saskatchewan since the 12th day of October, 1911. Presented 7th May, 1913.—*Mr. McCraney*.....*Not printed.*

213*a*. Return to an Order of the House of the 2nd April, 1913, for a return showing by quarter-section, or fraction of quarter-section, all school lands sold in Manitoba, Saskatchewan and Alberta during the calendar year 1912; the price per acre at which each separate parcel was sold; the name and address of each purchaser; a list of all school lands sold at above sales which have since been cancelled; the price at which each parcel of said cancelled lands were sold, with the names and addresses of purchasers of each parcel of said lands sold and subsequently cancelled. Presented 23rd May, 1913.—*Mr. Turriff*.....*Not printed.*

213*b*. Return to an Order of the House of the 12th February, 1913, for a return showing all school lands sold in the province of Saskatchewan in 1912, giving each parcel of land sold, the name and address of each purchaser, the date and place of sale, the name of the auctioneer at each sale, and any assignments of contracts of purchase of which the government has notice, and a copy of all correspondence passing between the Government, or any member thereof, and the Government of the province of Saskatchewan or any member thereof, with respect to the sale of school lands in the said province. Presented 6th June, 1913.—*Mr. Martin (Regina)*.....*Not printed.*

214. Return to an Order of the House of the 9th April, 1913, for a copy of all petitions, affidavits, specifications, plans, drawings, claims, certificates, papers and patent rights in the Department of Agriculture or the Patents Branch thereof, with respect to Patent Number 142823. Presented 7th May, 1913.—*Mr. Carvell*.....*Not printed.*

215. Return to an Order of the House of the 28th April, 1913, for a copy of all memorials, petitions, and letters, addressed to or sent by the Minister of Agriculture, or on his behalf, in connection with the establishment of an agricultural school, model farm or demonstration station at New Carlisle, Quebec. Presented 9th May, 1913.—*Mr. Marcil (Bonaventure)*.....*Not printed.*

216. Return to an Order of the House of the 28th April, 1913, for a copy of all telegrams, correspondence, returns, &c., between the Department of Agriculture, and any other person or persons, requesting recently that the Veterinary Director General of Canada visit Nova Scotia. Presented 9th May, 1913.—*Mr. Maclean (Halifax)*.

Not printed.

217. Extent to which the Franking privilege is used by the several provinces in Canada for statistics. —*(Senate)*.....*Not printed.*

218. Return to an Order of the House of the 29th January, 1913, for a copy of all diaries and other documents relating to and showing the work performed during the months of June and July, 1912, by Homestead Inspectors Rathwell and Erratt in the Moosejaw land district. Presented 16th May, 1913.—*Mr. Knowles*.....*Not printed.*

CONTENTS OF VOLUME 28.—*Continued.*

218*a*. Return to an Order of the House of the 29th January, 1913, for a copy of all diaries relating to and showing the work performed during the months of June and July, 1912, by Homestead Inspectors Brandt, Balfour, Ouelette and Sipes, in the Regina land district. Presented 16th May, 1913.—*Mr. Martin (Regina).....Not printed.*

218*b*. Return to an Order of the House of the 29th January, 1913, for a return showing the expenses of Homestead Inspectors Brandt, Balfour, Ouelette and Sipes during the months of June and July, 1912. Presented 16th May, 1913.—*Mr. Martin (Regina).* *Not printed.*

218*c*. Return to an Order of the House of the 29th January, 1913, for a return showing the expenses of Homestead Inspector Miller of the Moosejaw land district during the months of June and July, 1912, together with a copy of all reports, proceedings, diaries and other documents, showing the work performed during the said time by the said homestead inspector. Presented 16th May, 1913.—*Mr. Knowles.....Not printed.*

218*d*. Return to an Order of the House of the 29th January, 1913, for a copy of all diaries and other documents relating to and showing the work performed during the months of June and July, 1912, by Homestead Inspectors Shields and McLaren, in the Swift Current lands district. Presented 23rd May, 1913.—*Mr. Knowles.....Not printed.*

218*e*. Return to an Order of the House of the 29th January, 1913, for a return showing the expenses of Homestead Inspectors Shields, McLaren, Erratt and Rathwell, during the months of June and July of 1912. Presented 26th May, 1913.—*Mr. Knowles.* *Not printed.*

219. Return to an Order of the House of the 26th March, 1913, for a copy of all papers, memoranda, and instructions relating to a certain area of land on the bank of Little Manitou Lake, Saskatchewan, recently transferred to the town of Waterous, for park purposes. Presented 16th May, 1913.—*Mr. Oliver.....Not printed.*

220. Return to an Order of the House, of the 4th December, 1912, for a copy of all correspondence and other documents in the possession of the Department of Public Works relating to the proposed interprovincial bridge between Hawkesbury, Ontario, and Grenville, Quebec. Presented 26th May, 1913.—*Mr. Proulx.....Not printed.*

221. Return to an Order of the House of the 1st April, 1913, for a copy of all complaints, charges, evidence and reports in connection with the investigation held at Aldershot, N.S., in September, 1912, relating to the alleged thefts of property from the militia camp. Presented 26th May, 1913.—*Mr. Kyte.....Not printed.*

221*a*. Return to an Order of the House of the 21st April, 1913, for a copy of all notices, tenders, contracts and correspondence relating to the supplying of ice for the military comp at Aldershot, N.S., for 1913, and of all correspondence relating to the source of such ice supply. Presented 26th May, 1913.—*Mr. Kyte.....Not printed.*

222. Return to an Order of the House of the 17th February, 1913, for a copy of all letters, proposals, tenders, memoranda, papers and documents in the possession of the Department of Trade and Commerce, or any department of the Government, bearing date since 1st December, 1912, relating to steamship service between Canada and the West Indies. Presented 27th May, 1913.—*Mr. Maclean (Halifax).....Not printed.*

222*a*. Return to an Order of the House of the 2nd April, 1913, for a copy of all correspondence, petitions, letters, telegrams, and other documents in the Department of Trade and Commerce, or any department of the Government, relating to the SS. service,

CONTENTS OF VOLUME 28.—*Continued.*

between Mulgrave, County of Guysborough and Cheticamp, Inverness County, during the years 1910-11, 1911-12, and 1912-13, and the service to be continued during the year 1913-14. Presented 27th May, 1913.—*Mr. Chisholm (Inverness)*.....*Not printed.*

223. Return to an Order of the Senate calling upon the Clerk of the House to furnish a statement showing the number of Bills passed by the House of Commons since Confederation, which have been:—1. Amended by the Senate. 2. Rejected by the Senate. 3. Amended by the Senate and accepted by the Commons.—(*Senate*).....*Not printed.*

224. Return to an Order of the House of the 14th May, 1913, showing whether a contract was passed by the Post Office Department in the year 1911, for the use of stamp vending machines, the terms of said contract, the date, and by whom signed. Presented 2nd June, 1913.—*Mr. Lemieux*.....*Not printed.*

225. Ordinances of the Yukon Territory, passed by the Yukon Council in the year 1913. Presented by Hon. Mr. Coderre, 2nd June, 1913.....*Not printed.*

226. Names of judges of Superior and Circuit Court in province of Quebec, date of appointment, &c.—(*Senate*).....*Not printed.*

227. Return to an Order of the House of the 19th May, 1913, for a return showing the per capita taxation for the year ending 31st March, 1913, and for each of the twelve preceding years. Presented 3rd June, 1913—*Mr. Hughes (Kings, P.E.I.)*....*Not printed.*

228. Return to an Order of the House of the 29th May, 1913, for a return showing whether a certificate has been issued by the Treasury Board authorizing the transfer of the assets and liabilities of La Banque Internationale du Canada to the Home Bank; the terms of the said transfer, and all documents bearing on this question. Presented 3rd June, 1913.—*Mr. Lemieux*.....*Not printed.*

229. Report of the Canadian delegates to the International Conference, held at New York for the consideration of the Commemoration of the First Century of Peace between the United States and the British Empire. Presented by Hon. Mr. Borden, 5th June, 1913.....*Not printed.*

230. Return to an Address to His Royal Highness the Governor General of the 10th March, 1913, for a copy of all correspondence, memoranda, orders in council, departmental orders and reports from fishery overseers or other officers, during the past two years, relating to weir licenses in the waters of the Counties of Charlotte and St. John, Province of New Brunswick. Presented 6th June, 1913.—*Mr. Pugsley*.....*Not printed.*

231. Return to an Order of the House of the 24th February, 1913, for a copy of all letters and papers relating to the issue of half-breed scrip, warrant No. 2155, certificate No. 672, to Albert St. Denis, and the disposition of the said scrip. Presented 6th June, 1913.—*Mr. Oliver*.....*Not printed.*

232. Return to an Address to His Royal Highness the Governor General of the 3rd February, 1913, for a copy of all papers in connection with the withdrawal from settlement of a strip of land one mile in width along the line of the Hudson Bay Railway, and of the order in council, and also of all plans and correspondence in connection with the same, prior and subsequent thereto. Presented 6th June, 1913.—*Mr. Graham.* *Not printed.*

233. A return to an Order of the Senate dated 7th March, 1913, for a copy of all papers, letters, petitions, contracts and other papers relating in any way to the purchase of land at Le Pas for terminus of Hudson Bay road.—(*Senate*).....*Not printed.*

PUBLIC SERVICE COMMISSION

1912

VOL. I.

REPORT OF THE COMMISSIONERS

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1913

[No. 57—Vol. I.—1913]

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November 9, 1912.

To The Right Honourable
R. L. BORDEN, K.C., M.P.,
Prime Minister and President of Privy Council,
Ottawa, Ont.

SIR,—We have the honour to forward herewith our report in respect of the matters referred to us by His Royal Highness, the Governor General, under Commission dated 21st December, 1911.

Attached thereto will be found a special report on the subject of Government Dredging; and another relating to the Department of Public Printing and Stationery, together with exhibits and appendices.

Additional special reports referred to in this report, with their respective exhibits and appendices, have already been placed in your hands, viz.:

Report on Timiskaming Dam Contract.

" Sorel Ship Yard.

" Government Dredging (preliminary).

" Dismissal of R. E. Cook.

We have the honour to be, sir,

Your obedient servants,

G. N. DUCHARME,

R. S. LAKE,

Commissioners.

[L.S.] ARTHUR.

CANADA.

GEORGE THE FIFTH, by the Grace of God, of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas King, Defender of the Faith, Emperor of India,

To all to whom these presents shalll come, or whom the same may in any wise concern,

GREETING.

CHAS. J. DOHERTY, Attorney General, Canada.

WHEREAS in and by an order of Our Governor General in Council bearing date the twenty-first day of December, in the year of Our Lord one thousand nine hundred and eleven (a copy of which is hereto annexed) provision has been made for an investigation and inquiry, by our Commissioners therein and hereinafter named, into and concerning all matters connected with or affecting the administration of the various departments of the Government and the conduct of the public business therein, as upon reference to the said Order in Council will more fully and at large appear.

NOW KNOW YE that by and with the advice of Our Privy Council for Canada, we do, by these presents, nominate, constitute and appoint Alfred Bishop Morine, of the City of Toronto, in the Province of Ontario, Esquire, one of our Counsel learned in the law, Guillaume Narcisse Ducharme, of the City of Montreal, in the Province of Quebec, Esquire, and Richard Stuart Lake, of Grenfell, in the Province of Saskatchewan, Esquire, to be our Commissioners to conduct such inquiry.

To have, hold, exercise and enjoy the said office, place and trust unto the said Alfred Bishop Morine, Guillaume Narcisse Ducharme and Richard Stuart Lake, together with the rights, powers, privileges and emoluments unto the said office, place and trust of right and by law appertaining during pleasure.

And, we do further, by these presents, nominate, constitute and appoint you the said Alfred Bishop Morine to be the Chairman of such Commission.

And, we do hereby, under the authority of the Revised Statute respecting Inquiries concerning Public Matters, confer upon our said Commissioners the power of summoning before them any witnesses and of requiring them to give evidence on oath, or on solemn affirmation if they are persons entitled to affirm in civil matters, and orally or in writing, and to produce such documents and things as our said Commissioners shall deem requisite to the full investigation of the matters into which they are hereby appointed to examine.

And we do hereby require and direct our said Commissioners to report to Our Royal Highness the Governor General in Council the result of their investigation with the evidence taken before them and any opinion they may see fit to express thereon.

IN TESTIMONY WHEREOF, we have caused these our letters to be made patent and the Great Seal of Canada to be hereunto affixed.—Witness: Our Most Dear and Entirely Beloved Uncle and Most Faithful Counsellor, Field Marshal, His Royal Highness Prince Arthur William Patrick Albert, Duke of Connaught and of Strathearn, Earl of Sussex (in the Peerage of the United Kingdom); Prince of the United Kingdom of Great Britain and Ireland, Duke of Saxony, Prince of Saxe-Coburg and Gotha; Knight of Our Most Noble Order of the Garter; Knight of Our Most Ancient and Most Noble Order of the Thistle; Knight of Our Most Illustri-

ous Order of Saint Patrick; one of Our Most Honourable Privy Council; Great Master of Our Most Honourable Order of the Bath; Knight Grand Commander of Our Most Exalted Order of the Star of India; Knight Grand Cross of Our Most Distinguished Order of Saint Michael and Saint George; Knight Grand Commander of Our Most Eminent Order of the Indian Empire; Knight Grand Cross of Our Royal Victorian Order; Our Personal Aide-de-Camp, Governor General and Commander-in-Chief of Our Dominion of Canada.

At Our Government House, in Our City of Ottawa, this twenty-first day of December, in the year of Our Lord one thousand nine hundred and eleven and in the second year of Our reign.

By Command.

W. J. ROCHE.

Secretary of State.

P. C. 2928.

CERTIFIED *copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on the 21st December, 1911.*

The Committee of the Privy Council have had before them a memorandum, dated 20th December, 1911, from the Honourable R. L. Borden, the Prime Minister, stating that he has had under consideration the Order in Council, approved on the 8th day of May, 1907 (copy of which is hereto attached).

The Minister observes that by the terms thereof the gentleman therein mentioned were appointed Commissioners to inquire into and report upon the operation of the then existing Civil Service Act and kindred legislation with a view to proposing such changes as might be deemed advisable in the best interests of efficiency in the public service.

The Minister further observes that from the report of the Commissioners then appointed it appears that their inquiry extended to only a few of the departments of the Government and that in no case does it appear to have been complete.

The Minister remarks that it is desirable to take any action which may aid in securing increased efficiency and more thorough organization and co-ordination of the various departments of the Government and that to this end it is important to make such inquiry and to obtain such information as will enable any existing defects or abuses to be remedied, secure the adoption of more efficient methods, remedy any existing abuses and more thoroughly safeguard the public interest.

The Minister considers it advisable, therefore, to continue and enlarge the inquiry which was commenced under the Order in Council of May 8th, 1907, and in that connection to give to the Commissioners such enlarged powers as may be necessary for the purposes above set forth.

The Minister, therefore, recommends that commissioners be appointed to investigate and to inquire into and concerning all matters connected with or affecting the administration of the various departments of the Government and the conduct of the public business therein and especially (but without restricting the generality of the foregoing) the following matters:—

1. The methods employed in the transaction of public business.
2. The control of appropriations and expenditure.
3. The construction and maintenance of public works and the carrying on of dredging operations.

4. The administrative methods and operations of the chief spending departments.
5. The administration and alienation of the public domain.
6. The discipline and efficiency of the departmental staffs.
7. The duplication of the same or similar work in two or more departments.
8. Any other matters embraced in the scope of the Order in Council of 8th May, 1907, or mentioned in the report of the Commissioners thereby appointed.

The Minister further recommends that such inquiry should extend and relate to such period or periods of time preceding the date of the Commissioners' report as in the opinion of the Commissioners should be the subject of investigation and inquiry having regard to the public interest and to the facts and circumstances of any particular inquiry.

The Minister also recommends that for the purposes aforesaid the Commissioners be empowered to appoint a secretary and to engage the services of such expert accountants, engineers, technical advisers, or other experts, clerks, stenographers and assistants, as they may deem necessary or advisable; that the Commissioners be also authorized to retain the services of counsel to aid and assist the Commission in the inquiry; that the Commissioners be required to report to His Royal Highness in Council the evidence taken upon the said inquiry together with the findings of the Commissioners, and moreover that such reports shall, if deemed expedient by the Commissioners, or if required by His Royal Highness in Council, be made from time to time with respect to each department or branch thereof, as the inquiry proceeds;

That the Commissioners be requested to proceed with the inquiry as rapidly as possible;

That the Commissioners be appointed under the provisions of the Inquiries Act, Revised Statutes of Canada, 1906, Chapter 104, Part I, and have power to summon witnesses, to require them to give evidence under oath, orally or in writing, or on solemn affirmation if they are persons entitled to affirm in civil matters, and to produce such documents, records and things as the Commissioners may deem requisite to the full investigation of the matters which they are appointed to examine.

The Minister further recommends that Alfred Bishop Morine, of the City of Toronto, one of His Majesty's counsel learned in the law; Guillaume Narcisse Ducharme, of the City of Montreal, banker; and Richard Stuart Lake, of Grenfell, in the Province of Saskatchewan, farmer, be appointed as such Commissioners; that the said Alfred Bishop Morine be the Chairman of the said Commission; and that a Commission do issue to them accordingly conferring upon them the powers and duties aforesaid and such other powers as to commissioners in the like cases by law appertain.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

P.C. 1108.

CERTIFIED *Copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on May 8, 1907.*

On a Memorandum dated 7th May, 1907, from the Minister of Finance, stating that while the general principles of the Civil Service Act are regarded as satisfactory, there are matters connected with the operation of the Act and the services and compensation of officials of the Government which require more careful inquiry and consideration than can be given by the Ministers of the several departments and, therefore,

it is desirable that such matters be inquired into by a Commission composed of gentlemen specially chosen for such purposes;

The Minister, therefore, recommends that the following gentlemen, J. M. Courtney, C.M.G., Ottawa, chairman; Thomas Fyshe, Montreal, and J. G. Garneau, Quebec, be appointed Commissioners to inquire into and report on the operation of the existing Civil Service Act and kindred legislation with a view to the proposing of such changes as may be deemed advisable in the best interests of efficiency in the public service;

That such inquiry should include the following subjects:

1. General operation of the Civil Service Act;
2. Classification of the Service;
3. Salaries;
4. Temporary employment;
5. Technical employees;
6. Promotions;
7. Discipline, hours of service, etc.;
8. Efficiency and sufficiency of the departmental staffs;
9. Retiring allowances;
10. Any other matter relative to the Service which in the opinion of the Commissioners requires consideration;

That while the Service at Ottawa should be the first subject for the consideration of the Commissioners, they be authorized and requested to extend their inquiry to any portion of the Outside Service that may come under their observation and which the time at their disposal may permit them to take into their consideration;

That the Commissioenrs be requested to proceed wtih the inquiry as rapidly as possible with a view to the presentation of their report at the next session of Parliament.;

That the Commissioners be appointed under the provisions of the Statute respecting inquiries concerning public matters and have power to summon witnesses, to require them to give evidence under oath, orally or in writing or on solemn affirmation if they are persons entitled to affirm in civil matters and to produce such documents and things as the Commissioners may deem requisite for the full investigation of the matters into which they are appointed to examine.

The Minister further recommends that Mr. Thomas S. Howe be appointed Secretary to the said Commissioners.

The Committee submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

P.C. 1491.

CERTIFIED *Copy of a Report of the Committee of the Privy Council, approved by His Royal Highness the Governor General on 30th May, 1912.*

The Committee of the Privy Council have had before them a memorandum dated 28th May, 1912, from the Right Honourable Robert Laird Borden, the Prime Minister, stating that he has had under consideration the Order in Council approved on 21st December, 1911, appointing the Honourable Alfred Bishop Morine, Guillaume Narcisse Ducharme and Richard Stuart Lake as Commissioners to investigate and to inquire into and concerning all matters connected with or affecting the administration of the various departments of the Government and the conduct of the public business therein.

The Prime Minister observes that during the progress of certain inquiries which have been proceeding under the supervision of the Commission the Hon. Alfred Bishop Morine has tendered his resignation as a member of the said Commission and that the consideration of such resignation has been postponed pending the completion of the inquiries alluded to.

The Prime Minister further observes that the inquiriés above mentioned have now been practically completed and that the reports of the accountants and other experts upon such inquiries have been or will shortly become available.

The Prime Minister further observes that the duties of Mr. Morine as Chairman of the said Commission, in so far as the work has been brought to the attention of the Government, has been discharged with ability and energy and in a thoroughly impartial manner. It is thought, however, for the reasons which Mr. Morine himself has urged, that his resignation ought to be acccepted.

The Committee, therefore, recommend that the resignation of the Hon. Alfred Morine as a member of the said Commission, be accepted as of the 1st day of June A.D. 1912.

The Committee further recommend that on and from the said 1st day of June, 1912, the said Guillaume Narcisse Ducharme and Richard Stuart Lake be authorized and empowered to perform and discharge all the duties and do all the acts which under the terms of the said Order in Council of the 21st December, 1911, could be done or performed by the three members of the Commission thereby constituted and appointed; and that the said Order in Council of 21st December, 1911, be amended accordingly.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

REPORT

To His Royal Highness the Governor General of Canada in Council.

May it Please Your Royal Highness,—

The Commissioners appointed by Your Royal Highness under Commission dated 21st December, 1911, have the honour to present the following report:—

The duties assigned to the Commissioners, as set forth by the Order in Council of the 21st December, 1911, may be briefly summarized as follows:—

(*a*) To continue and enlarge the inquiry which was commenced under the Order in Council of 28th May, 1907, into the operation of the Civil Service Act and kindred legislation, with a view to proposing such changes as might be deemed necessary in the best interests of efficiency in the public service.

(*b*) To investigate and inquire into and concerning all matters connected with or affecting the administration of the various departments of the Government and the conduct of the business therein.

At a very early stage of their proceedings the magnitude of the task before them became abundantly apparent to the Commissioners. Since Confederation the administrative machinery of the Dominion as a whole has never been reported on or reorganized; nor have the various parts been considered in relation to the whole. There has been an absence of one central authority taking cognizance of the various departments of the public service, and endeavouring to harmonize and co-ordinate them into one organized administrative body. Owing to the great development of the country exigencies have arisen from time to time, and services have been created to meet these exigencies; but no organized effort has been made to co-ordinate these services, and assign to each its proper status and duties in the general machinery of the administration.

To suggest some workable means by which this condition of affairs could be remedied appeared to be the goal at which the Commission should aim.

The inquiries and report of the Commission of 1907 were followed by the enactment by Parliament of the Civil Service Amendment Act, 1908. The principal provisions of this Act may be briefly summarized as follows:—

(*a*) The re-classification of the Inside Service.

(*b*) The creation of a Civil Service Commission charged with the duty of selecting persons to fill vacancies in the Inside Service, and of examining into the qualifications of persons recommended for promotion therein.

(*c*) The determination and definition by Order in Council of the individual organization of the various departments of the Government, with the number and character of the offices, clerkships and other positions in each, and the duties, titles and salaries thereafter to pertain thereto.

Action was early taken in regard to the first two of these provisions; but the third and more difficult one has been only partially carried out and it appeared to your Commissioners that their first efforts might well be centred on this question, the successful settlement of which would be a long step towards the end they had in view.

How best to commence and carry on the study of the existing machinery and methods, some knowledge of which was essential for an intelligent consideration of the question referred to, was a feature to which much thought was given by the Commission. As a result of their deliberations, inquiries into the methods and functions of the various departments of the Government were intitated. Pending the result of these inquiries the Commission undertook investigations into certain specific matters which were brought to their attention, with the double object of familiarizing them-

selves with the details and routine of the departments on the one hand, and on the other of studying where the present system appeared to be defective.

The first of these was an inquiry into the circumstances connected with the building of a dam on Lake Timiskaming, during the course of which the Commission were able to get a considerable insight into the procedure and methods of doing business in the Department of Public Works. The result of their investigations has already been set out in considerable detail in a report submitted on the 2nd April last. Some of the weak points in the existing procedure were impressed upon them by the array of Orders in Council under the authority of which this undertaking was conducted from its inception; and certain improved methods which might be adopted in dealing with engineering works of this nature suggested themselves to the Commissioners, and were mentioned in their report.

During the course of this investigation, other inquiries were set on foot in regard to various other matters which had been brought to the notice of the Commission.

One of these was the unsatisfactory condition of affairs at the Government Ship Yard at Sorel, which was causing the question to be seriously considered as to whether it would not be better to discontinue any further new work at the yard; reduce the establishment; and use it merely for the purpose of repairs to the dredging fleet of the St. Lawrence Ship Channel. After searching inquiries by experts into the management, expenditure, workmanship and cost of construction, as well as personal investigation on the spot, the conclusions and recommendations of the Commission were embodied in a report which was presented on the 31st May last. It is understood that the action taken by the Government in consequence of this report has already resulted in a great improvement on the conditions previously existing.

A complaint by the second steward of the Canadian Government steamer *Arctic* regarding the conduct of the officer commanding during the cruise of that vessel in the far north in the years 1910-1911, was brought to the notice of the Commission. It was to the effect that use had been made of the expedition to carry on an extensive trade with the Esquimaux; and that Government stores had been used for the purpose of such trade. As the statements made reflected on the honour and integrity of a well-known officer, the Commission did not deem it desirable to give them the publicity that a public inquiry would involve unless they were satisfied that they were not of a trivial or personal character. Counsel was therefore employed for the purpose of advising them on this question. During the course of his inquiry their counsel intimated that the records of the Department of Marine and Fisheries were not of a nature to afford accurate information regarding the nature and quantity of the stores taken on board the ship, and the amount returned into store at the conclusion of the voyage; and he was in consequence authorized to employ accountants to examine into this matter. Before the accountants had concluded their labours, and counsel was able to report, the officer in question had left Canada on a private expedition to the Northern Seas and any further action, if action be deemed desirable, has necessarily to be postponed till his return.

At the request of the Minister of Marine and Fisheries the Commission instituted an inquiry into the affairs of the Montreal Harbour Commissioners, who are appointed by the Governor in Council, and under whose direction large sums of government money are being expended in the improvement of that harbour. The firm of Messrs. Price, Waterhouse and Company were instructed to audit the transactions of the Harbour Commissioners for the five years ending 31st December, 1911; to prepare statements of accounts and statistics showing the nature and volume of the business done; and to inquire into and report upon the organization and equipment provided, and the methods and procedure employed in carrying on the work. Their report dealing with these matters in considerable detail and making some valuable suggestions is appended hereto.

The Commission also instituted an inquiry into the conditions under which Dredging has been carried on in different parts of the Dominion by the Department of Public

Works. The result of their inquiries early convinced them that certain changes in the organization of the departmental service were of the highest importance. They were also of opinion that, in order to encourage competition for such work as it was proposed to have done by contract, certain changes should be made in the specifications of the tenders for the same. Their recommendations in these respects were embodied in an interim report which was issued early in order that any changes, which might be adopted as a result of them, could be put into force before the opening of the dredging season.

A considerable mass of papers, records and other material in connection with dredging performed during a number of years for the government by private concerns under contract, have been examined by the Commission. The result of their investigations has been to convince them that the system of dredging by contract is a very costly one, and that so long as dredging is purely a matter of government concern, it would be more economical for the government to provide their own plant and do the work themselves. Their reasons for arriving at this conclusion, as well as certain remarks on the subject generally, are appended hereto as a separate report.

The Commission have for a considerable time past been conducting an investigation into the Department of Public Printing and Stationery. In the earlier part of the year, they devoted some attention to the case of Mr. R. E. Cook, a former official of the department, who was dismissed from the service in October, 1910, at the instance of the then Secretary of State. A finding in connection with this case was submitted on 31st May last. The evidence then taken disclosed certain features in connection with the management of the department, the knowledge of which has been of value to them in their further inquiries into its affairs. A report setting forth in considerable detail their proposals for the reorganization of the department, and for the more efficient and economical performance of certain of its functions, is appended hereto.

The recommendations which the Commission have been able to make in connection with the foregoing investigations will, they hope, lead to improvement in the Services concerned. One result in special has been, as anticipated, to give the Commission a better insight into the methods and general working of the departments than they could probably have obtained in any other way.

The Commission have however for some time felt that it was impossible for them to carry on simultaneously a number of such inquiries in different Departments, and at the same time to give the attention necessary for the thorough consideration of the wider question of the better general organization of the Public Service as a whole. They have also come to the conclusion that the work in connection with investigation into some of the matters specially brought to their notice could more conveniently and thoroughly be performed by Departmental inquiries, instituted at the instance of the heads of the respective Departments. They were able the more readily to arrive at this conclusion as it was obvious that, as the main object for the creation of the Commission was that they should make suggestions for such changes in the organization of the Departments as would prevent the recurrence of any irregularities and faults of administration which might be found to exist, a general scheme upon which organization of the whole Service should be based ought to precede any recommendations which the Commission might be disposed to make in regard to individual Departments. This remark, it may be noted, does not apply with the same force to the Department of Public Printing and Stationery which has from its first formation been considered rather as a business establishment than an ordinary Department of the Public Service.

They have therefore devoted most of their attention to the compiling of information and data in regard to the functions and organization of the various departments and their branches, without which they did not feel that it was possible to deal intelligently with the question.

At an early stage in their proceedings the Commission invited the Civil Service Association and the Civil Service Federation, as representatives of the personnel of

both the Inside and Outside Services, to meet them and discuss from their own standpoint the subjects of classification, promotion, superannuation and retirement, and other questions, a satisfactory solution of which the Associations believed to be essential to the building up of a Service worthy of the best traditions.

They have also collected a considerable amount of evidence in regard to the Outside Service, having special reference to the question of the feasibility of its being brought at an early date under the operation of the Civil Service Act of 1908 as contemplated by Parliament.

It is the Outside Service with which the general public come most into contact, and their efficiency has a material effect on public business and convenience.

It is the Outside Service also who are responsible for the actual collection of the bulk of the revenue on the one hand, and on the other for the administration and expenditure in every part of the Dominion of the sums annually voted by Parliament. In numbers they greatly exceed the Inside Service and their duties, equally as important, are carried out, often in the face of extraordinary difficulties, with a fidelity and ability worthy of all praise. The fact that the members of the Outside Service are so widely scattered has prevented them from taking united action to get the same consideration of the many questions affecting their interests as the Inside Service have succeeded in securing. Moreover, their duties are so varied, and they cover such a vast area of country, that any legislation to deal with them as a whole will necessarily be of a more difficult and complex nature than legislation to deal with the Inside Service, concentrated as it is at headquarters.

Nevertheless the problem to be solved is the same in both Divisions of the Service, and it is, in a few words, how to attract into the employ of the State the ablest and best men that the country produces; how to develop their best energies in its service and to get them to look upon it as their life's work.

That there still is in the Inside Service, in spite of all efforts hitherto made to the contrary, a lack of uniformity in such matters as the character of the duties assigned to the different Classes, the salaries paid in proportion to the responsible nature of the work performed, and other minor matters such as vacation, sick-leave, hours of attendance, etc., is an undoubted fact. And that the same condition exists in respect to all these points and many others, in an aggravated form, in the Outside Service is no less true. For instance, some Departments give their officials, in certain parts of the country where living expenses are exceptionally high, provisional allowances to meet these expenses, while other departments do not. Some allow their officials a regular annual increase to their salaries, contingent on good behaviour, while other Departments give increases spasmodically, and the official has either to make personal application for it, or to leave it to the discretion of his chief to make application to Ottawa on his behalf. The salaries of officials in some Departments differ in an extraordinary degree from those holding similar rank in other Departments. In some Departments the salaries paid are subject to deductions for retirement or superannuation funds, or for the payment of guarantee bonds, while in others they are not.

Nor can the responsibility for this state of affairs be specially laid at the door of any Minister or set of Ministers. It must be attributed to the fact that hitherto there has been no central authority charged with the duty of assimilating, in so far as might be possible, the status and conditions of service of the outside officials of the various Departments of the Government. Careful supervision and inspection is carried out by the various head offices in Ottawa over their own officials in all parts of the Dominion, but each is striving to meet its own problems and difficulties in its own way.

In a country where the increase in population and business is so enormous as it has been in the Dominion during the last few years, the difficulties of keeping the Public Service in a position to meet all exigencies is undoubted. Especially is this the case in the Western Provinces where the Services are of such comparatively recent date. The fact that appointments to the Outside Service have hitherto been

considered a matter of local patronage has added to these difficulties by creating a local opposition to having the highest positions filled, as it would appear natural to suppose that they should be, by the most highly trained and experienced officials that were to be found, no matter from what part of the Dominion they came.

In the far West where a special inquiry was made by the Commission, perhaps the most pressing problems at the present moment would appear to be that of obtaining good men for the junior ranks of the Service, and of retaining their services when they have been procured. This is a difficulty experienced by all Departments and only varies in its intensity according to the pay, conditions of service, and future prospects in each. An abundant supply of well-educated and ambitious young men is to be found throughout the West and, given a fair salary to commence with, promotion by merit, and a prospect of attaining to the highest positions, there would be no difficulty in getting the best of them to enter the service of the State.

It must be remembered that there is much competition for good men from the large commercial concerns in the West, such as banks, insurance and loan companies, railways, etc., and that these give better salaries and other advantages than are now offered by the Government Service. The Provincial Governments also give considerably better pay to their officials. On the other hand there will always be a number to whom the status and permanency of a government office will be a sufficient attraction if there is a living wage to begin with and a reasonable prospect for the future.

The cost of living has of late years increased very greatly in every part of the Dominion, but the increase is specially marked in the West. It is probably true that living has always been more expensive there than in the East, but the proportionate increase in the West within the last year or two has been greater than in the East. Evidence was offered to the Commission at every place visited in regard to both these points. Officials transferred from Ottawa and other Eastern cities to the West during the last five years or so, testified that on arrival they found the cost of living from twenty to thirty per cent higher and with fewer comforts than in the East. Officials long resident in the West testified that the increase in the cost of living there, within the last five years, has been at least thirty per cent.

These conditions have been recognized by some of the Departments who give a special provisional allowance to the junior ranks in their service. This provisional allowance, however, is only given by three or four of the Departments and is not of a uniform rate. One Department gives $180 a year to its junior ranks, another $150, another $100, while a fourth gives $200 to one of its branches and nothing to another branch. In some of these Departments it is given only to the lower salaried officials: when they reach a certain salary they lose the allowance.

The matter of provisional allowance is not the only one in which there is a marked difference between the conditions of service in the different Departments. As has already been pointed out there are wide differences in the salaries given to officials of similar rank; in the manner in which increases to those salaries are made; in the deductions for the retirement and superannuation funds, and the payment for guarantee bonds. With reference to the bonds, one official informed us that no deduction was made from his salary and the salaries of his subordinates by the head office, but that they were required to pay for them directly from their own pockets. He not only paid for his own bond, but also paid for those of his subordinates as he did not think they could afford it out of their small salaries. In the matter of vacation, some Departments give three weeks, some two and some none.

When, as is generally the case, most of the Departments have their offices in the one public building, the difference in the treatment of the various officials is very noticeable and leads to considerable dissatisfaction.

It has already been pointed out that the Outside Service is the one which comes most closely into touch with the general public. This is especially the case with the Postal Service, in the efficiency of which almost every individual in the country is

personally interested. In the Post Office the difficulty of keeping good men in the lower grades of the Service appeared to be exceptionally great. In Edmonton seventy per cent of the staff of a year ago had left. In Saskatoon seventy per cent had left in eighteen months. In Regina half of the staff had left in one year, with the consequence that, as it has recently been found necesary to increase the staff there, seventy-five per cent of those now employed are inexperienced. Similar difficulties were stated to exist in all the other Post Offices visited, with the consequence that the public are suffering great inconvenience in regard to this most important Service. Some improvements were effected at the last session of Parliament in regard to the salaries of the Post Office officials, but this is scarcely sufficient. The Postal Service itself is unpopular on account of the long hours, and night and Sunday work. The staff have to take their turn at the latter, and every third or fourth week have to work the full seven days. No day off during the rest of the week is given to compensate them for Sunday work, and no extra pay, and no Saturday half holiday is allowed. Then again, in consequence of the junior standing of such a large portion of the staff, junior clerks with low rates of pay have to fill very responsible offices. In one instance the clerk in the Money Order office gets $780 a year, and handles $5,000 to $10,000 a day. In another a junior third class clerk is the accountant in an office of which the income is nearly four hundred thousand dollars a year. It is contended that the office should carry the salary and that a man should be paid for the work he does; that clerks receiving very small pay should not hold such responsible positions and have to make up the small deficiencies which are bound occasionally to occur.

It is obvious that in a post office new employees can be of very little use until they have gained some experience, and some local knowledge; and it is reasonable to suppose that with inducements sufficient to keep trained men in the Service, not only would the public benefit greatly from an improved service, but fewer men could do the work and an economy would be effected thereby.

The conditions existing in the Postal Service are given as an instance, but the same difficulties in retaining the services of good men in the junior ranks of the Outside Service appear to exist very generally throughout the West, and instances could be multiplied. A possible exception to this is the Customs Service, in which initial salaries for the West are $900 a year.

While the need of bettering the condition of the lower officials, if the Public Service is to be efficiently carried on, was primarily urged upon the Commission, the position of those filling the higher ranks of the Service was also brought to their attention. As has been pointed out already, the cost of living has increased greatly and this affects the higher ranks just as it does the lower ones. It was argued that public officials are expected to keep up a certain position and that in many cases those who have done so in the past are now, in consequence of the abounding prosperity around them, being obliged to move into smaller houses, and to reduce their scale of living.

A number of interesting comparisons were laid before the Commission while in British Columbia in regard to the salaries paid to certain officials of the Dominion Government compared with those paid by the Provincial Government, as well as in some cases with the salaries paid by the United States Government to their employees.

At New Westminster the Provincial Insane Asylum and the Dominion Penitentiary are situated side by side. The asylum has about 600 inmates, and the penitentiary about 350. The scale of salaries throughout is greatly in favour of the officials of the asylum. Penitentiary guards, after three months' probation, get $58.33 a month with no increase even if they remain fifteen or twenty years, and no subsistence. The male attendants in the asylum get $40 to $55, together with board and lodging. In the Provincial Gaol at New Westminster the convict guards get $75 a month while the city police constables commence at $75, rising in their fourth year to $90. The warden of the penitentiary stated that he had great difficulty in keeping his men, especially those who had not become entitled to a gratuity. He has also tremendous trouble with guards trafficking with the convicts, which he attributes to the smallness of the salaries.

Another comparison submitted had reference to the salaries of the Dominion Inspectors of Boilers, who receive $1,400, rising by irregular increments to $1,600. Provincial Inspectors of Boilers begin at $1,620 and rise by regular annual increments of $60 to $2,160. While the United States Inspectors who are engaged in the same work as the Dominion Inspectors, and who mutually accept each others' certificates, receive $2,250. Yet another comparison which was of something more than ordinary interest was that between the conditions of the Lighthouse Service on the Pacific Coast in the United States and British Columbia. It showed the superior consideration given in the former country to the men who fulfil these arduous and responsible duties, to that given in Canada. Both in regard to pay and allowances, leave, number of assistants and other matters, the comparison was in favour of the United States. One case which had just occured was particularly brought to the notice of the Commission. The lightkeeper at Sand Heads Lightship had not had any holidays for eleven years. If he had applied for any he would have had to pay for a substitute. His salary was $1,470, but out of that he had to pay an assistant, to whom he gave $540 and board. The assistant had left him to get a better position, and when he was relieved, he had been alone for a fortnight, unable to leave his ship, and crippled by rheumatism. He was then in a pitiable condition and was walking on all fours.

At several points the Commission had the advantage of a general conference with the leading officers of the various Departments, at which individual and collective views were expressed as to the best means of increasing the efficiency of the Outside Service. There was a very close agreement in regard to most of the questions discussed and the following statement may be valuable as the consensus of opinion of a large majority of the leading officials west of the Province of Manitoba:—

1. That entrance to and promotions in the Service should not be a matter of political patronage, but that the whole Outside Service should be placed under the Civil Service Commission; that promotion therein should be by merit, and that the higher positions should be filled from the Service itself.

2. That the initial pay and allowances for clerks entering the Service in the West should, at the present time, be not less than $75 a month.

It was pointed out that in the early eighties Dominion officials at Winnipeg received an increase of forty per cent over the salaries paid in the East in order to meet the increased cost of living there. After a while, this was reduced to twenty-five per cent and later done away with altogether. The present method of a specific allowance seemed however to be generally considered satisfactory provided the amount were sufficient and it was granted to all officials from the lowest to the highest. Should the conditions of living in the West return to normal this allowance could be discontinued.

3. That in each case there should be regular annual increments of salary to which the employee should be entitled provided he has given satisfaction. The opinion was expressed by some that the increment should be $100 a year.

It was pointed out that the practice which now prevails in most Departments, whereby the official has to ask for a rise or get his chief to recommend him, is unsatisfactory. Some chiefs have an objection to recommending anybody for an increase, and in many cases political influence is used to get it.

4. That conditions should be made as uniform as possible in the various Departments as regards pay, allowances, vacation, hours of work, etc.

5. That a system of superannuation should be introduced and would be preferable to the present retirement system.

This undoubtedly was looked upon as the most powerful factor in retaining men in the Service. It was generally agreed that it should be contributory. In regard to the amount of contribution, the feeling of the great majority appeared to be that if the family could be made beneficiaries in case of death, five per cent would be satisfactory. This was the amount proposed in the Bill introduced into the Senate by the Honour-

able L. G. Power. It may be mentioned that at several meetings where all grades and classes of the Civil Service were represented, the principles contained in Senator Power's Bill were in the main considered satisfactory. There was a general agreement that contribution to superannuation should be made compulsory in future; and that there should be a definite age for retirement, which in the opinion of the majority should be voluntary at sixty and compulsory at sixty-five.

6. That examinations for promotion be solely in regard to a man's fitness for the duties of the office.

Some discussion took place at various points on the question of throwing the Outside Service open to competitive examination and as to the likelihood of getting a sufficiency of candidates. There was considerable caution in expressing opinions in regard to this matter, which had evidently not been very much considered. The feeling that local appointments should be made from local people made some hesitate to approve of such a course. On the whole, however, the majority seemed to believe that it was quite feasible and that it would be beneficial to have appointments made in this way.

The endeavour of the Commission in the foregoing remarks has been to give, in as concise a form as possible, the general trend of opinion among the officials of the Outside Service in British Columbia, Alberta and Saskatchewan, as to the best means to be taken to promote efficiency in the Public Service in that rapidly expanding and changing portion of the Dominion. A number of special cases requiring special attention appear in the evidence taken, and will be brought individually to the notice of the heads of the Departments affected.

Speaking generally, the result of their work so far, and of the evidence taken, has been already to indicate to the Commission general conclusions in regard to some of the most important questions affecting the Service. The whole subject, however, is of such a difficult and complex nature and its successful settlement of such vital importance to the future of the Dominion, that they have been impressed with the feeling that an opinion regarding it should be sought from the most eminent authority that could be found. They have observed therefore with great satisfaction that the Right Honourable Sir George Murray, G.C.B., a gentleman of unequalled experience in such matters, has at the instance of the Government, undertaken an inquiry, the scope of which is defined in the Order in Council of 7th October last, and which appears to the Commission to embrace very completely the general questions which have been engaging their attention.

Believing that the information and data which they have compiled would be of considerable value to him, they have placed the whole of it at his disposal. They have done so the more readily as they observed that the period of his stay in this country was limited.

This being the case, and holding the views expressed above, they feel that no useful end could be served by their making recommendations which would necessarily be based to a greater or less extent upon the same data.

In view of the foregoing, the Commission are of the opinion that the requirements of the Order in Council of the 21st December last can be most advantageously carried out, in regard to one phase of their work, by the Departmental Inquiries already alluded to; and in regard to the other, by the general inquiry into the organization and methods of the Public Service which is being conducted by Sir Geo. Murray.

Under these circumstances the Commissioners respectfully request that Your Royal Highness be graciously pleased to relieve them of the duties and responsibilities with which they have been charged by Your Royal Highness' Commission.

All of which is respectfully submitted.

G. N. DUCHARME,
R. S. LAKE,
Commissioners.

Ottawa, 9th November, 1912.

PUBLIC SERVICE COMMISSION

1912

SPECIAL REPORT

ON

LAKE TIMISKAMING DAM CONTRACT

Public Works Department

To His Royal Highness the Governor General in Council:

MAY IT PLEASE YOUR ROYAL HIGHNESS,—

The Public Service Commission appointed on the 27th day of December, 1911, and charged with the duty, amongst other things, of inquiring into 'the construction and maintenance of public works,' and 'the administrative methods and operations of the chief spending Departments,' have the honour to submit for your information this report of an inquiry concerning the construction of a dam at the head of the Long Sault Rapids, Ottawa River, commonly referred to as 'Lake Timiskaming Dam.'

In the autumn of 1904 an examination of the water conditions in the watershed of the Ottawa River was commenced. In 1905, a dam at the foot of Lake Timiskaming was designed and located. At the outset, the object was to reserve part of the flood water of the spring and summer for use during the autumn, for power purposes at the Chaudiere Falls and other places in the Ottawa River.

In 1909 it was decided to so construct the dam that it might more completely restrain the flood water of spring and thus improve the navigation of the narrows in the Ottawa River. The outlet of Lake Timiskaming at the Long Sault Rapids, is divided by an island into two streams, the larger and deeper being on the eastern side. The boundary line between Ontario and Quebec runs midway up and down this stream. The wooden dam was to be built at the upper end of the island, and stretch straight across from the Ontario to the Quebec shore. The design for concrete construction called for two dams, in reality; one on the Ontario side, about midway of the island, and one between the island, near its upper end, and the Quebec side, a trestle and earth-filled embankment across the island connecting the two dams.

In the Session of 1907-8, Parliament voted the sum of $75,000 for the construction of a wooden dam at the location mentioned. Later it was estimated that the cost of this dam would be $80,000. Tenders were advertised for and received up to the 19th day of November, 1908. A regular printed form of tender was supplied by the Department and used by the persons tendering. It called for an offer for the construction of the whole work for a bulk sum and it also included a blank item schedule in which prices were to be inserted at which any extra work or materials which might be required were to be charged. Four tenders were received for the following amounts, respectively:—$76,000, $98,000, $115,609, and $265,955, each accompanied by an accepted cheque for $8,000.

By report to Council dated November 28th, 1908, the Minister of Public Works recommended the acceptance of the tender of Messrs. Kirby & Stewart, of Ottawa, for $76,000. This firm had been formed to tender for this express work. This recommendation passed the Privy Council on the 15th day of January, 1909, and was approved by the Governor General on the 18th day of January, 1909.

By report to Council dated 20th day of February, 1909, the Minister recommended that the construction of a wooden dam be abandoned, and that a contract be entered into with Messrs. Kirby & Stewart for the construction of a concrete dam instead, at the unit prices mentioned in the schedule to Messrs. Kirby & Stewart's tender for the wooden dam. The approximate cost of the concrete dam was stated to be $108,050. This recommendation was approved by the Governor General on the 13th day of March, 1909. A contract with Messrs. Kirby & Stewart was executed on the 22nd day of July, 1909.

On the 11th day of November, 1910, the Minister recommended to Council that concrete work should be continued during the winter following, and that the contrac-

tors should be paid for housing and heating the concrete to preserve it from damage during freezing weather. This recommendation was approved by the Governor General on the 22nd day of December, 1910.

Coffer-damming and unwatering had been provided for in the contract, and was partially performed, but on the 4th day of January, 1911, the Minister recommended, 'that authority be given to pay the contractors over and above the contract price, the actual cost of coffer-damming and unwatering necessary to complete the dam, including removal of said coffer-dam, plus the usual 15 per cent for incidentals, use of tools, office expenses, etc.' This recommendation was made on the ground that, owing to exceptional circumstances, the difficulties of the work had been considerably increased, and that it was considered necessary in the public interests to co-operate with the contractors.

In the spring of 1911 a portion of the coffer-damming thus provided for was destroyed by the spring freshet, and on 5th August, 1911, the Minister reported to Council that it would be advisable that 'the contract should be terminated, the security given by the contractors be returned to them, and the work already performed, materials delivered and plant supplied be paid for, the further work to be proceeded with by day's labour at the sole cost of the government.' This recommendation was approved by the Governor General on 11th August, 1911; and on 5th October, 1911, an agreement was executed by the Deputy Minister of Public Works and the contractors. The security cheque was immediately returned; the plant and materials of the contractors were taken over, valued and paid for; and an examination took place for the purpose of ascertaining what amount was due to the contractors under the terms agreed upon. A disagreement arose as to the precise meaning of these terms. The amount due was, therefore, not decided, and payment of the balance claimed to be due to the contractors has not yet been made.

The dam on the Ontario side of the island was completed in 1910, but the dam on the Quebec side will not be fully completed before the low water season of 1912. The final cost of the structure can only be approximately calculated and the estimate may be falsified by accidents. It is as follows:

1912.	
Jan. 22. Actually paid contractors	$190,859 82
" " otherwise	55,713 82
	$246,573 64
Mar. 1. Expended under departmental contract	86,000 00
Cash expenditure to March 1, 1911	$332,573 64
Estimated cost to complete	$120,000 00
" land damage	45,000 00
	$497,573 64
Unadjusted claim by Kirby and Stewart, *i.e.*, difference between their claim for total expenditure ($334,572.18), and amount of cash already paid them, but not including claim, if any, for future interest	143,712 36
	$641,286 00

The foregoing is a brief outline of the more salient facts concerning this matter which have been inquired into and carefully considered by the Commission and upon which they now have the honour to make the following findings:

AWARDING CONTRACT WITHOUT TENDER.

Tenders for the construction of a concrete dam or in the alternative for a dam which might be of wood or of concrete were not asked for by public advertisement or otherwise. The only tenders asked for, the only tenders received, were for a wooden dam, to be built for a bulk sum. The unit prices mentioned in these tenders were for extra work which might incidentally prove to be necessary. The plans and specifications on which tenderers based their figures did not show that any concrete would be required. In the schedule to the tenders a price for concrete was named, but the three tenderers who have been examined state that the prices for concrete quoted by them respectively, referred to a very small quantity, which might perhaps be necessary in or about the foundation of the wooden dam, and were not such prices as they would have asked for the construction of an entire concrete dam. The Auditor General, on the 28th day of January, 1909, in a letter addressed to the Deputy Minister of Public Works, expressed the opinion that new tenders should be called for if the construction of a concrete dam was to be undertaken. This objection was not referred to the Law Officers of the Crown for consideration, but another objection by the Auditor General based on the same grounds was placed before the Deputy Minister of Justice for an opinion as late as the 19th day of May, 1911. He replied, 'It is, I think, questionable whether section 36 of the Public Works Act should not have been complied with in respect of the altered project, and, therefore, whether in view of the absence of tenders by public advertisement for the execution of the works, the Governor in Council had the power to authorize the contract.'

The Minister of Public Works, on or about the 4th day of February, 1909, overruled the first objection made by the Auditor General on grounds suggested by the Deputy Minister and Assistant Deputy Minister. It was said by them that to call for new tenders would involve undesirable delay. There was in the actual circumstances no sound ground for this argument; there was no pressing emergency in which delay would be injurious to the public interest. When the decision to build the dam of concrete was made, the need of haste had ceased. On the 22nd day of December, 1908, the Assistant Deputy Minister had written to J. R. Booth, Esq., of Ottawa, 'It is an utter impossibility now to have the dam built this winter, and the contractors will not take the risk of commencing the work of construction so late.' The further necessary examination of the location of the dam, absolutely essential for a concrete structure, was not undertaken for more than a month after the Minister's decision, and the plans and specifications were not completely prepared until four months later, nor the contract finally executed until five months later. As late as September, 1909, the Engineer in charge complained that the only plant which the contractors had yet on hand was one derrick, and that only one end of the dam had then been begun. It was suggested by the Assistant Deputy Minister, as a reason for awarding the contract to Kirby & Stewart, that they had made some arrangements for the purchase of timber. But no contract for the dam had in fact been executed, and if by verbal authority from some person in the Department of Public Works, the contractors had been induced to order timber, the cost thereof could have been assumed, if necessary, by the Department, and the timber used in connection with the building of the concrete dam.

WORK INITIATED WITHOUT DUE INVESTIGATION.

In dealing with this whole matter, lack of method and failure to exercise due care are strongly indicated. The project of building a wooden dam was of minor importance compared with the scheme for the larger concrete dam which supplanted it. But the investigation which preceded even the plan for the wooden dam was insufficient, while the contract for a concrete structure was authorized before the exact information

essential for the proper initiation of a work of such magnitude had been obtained. After deciding to build a concrete dam, and after the contract had been authorized, the location of the dam was wholly changed, its design altered, and its cost increased. In a letter dated 29th December, 1910, the contractors say,—'the work contemplated when the tenders were called for was greatly and entirely changed in character and location.' The decision as to the location finally decided upon was arrived at before adequate tests of the character of the bottom on the Quebec side had been made; and the change of site, about the wisdom of which there is difference of opinion, was decided on by the Engineer in charge without any supervision or adequate consideration by the Chief Engineer or any other person in the Department of Public Works. The dam on the Quebec side was located on a rapid, where construction was much more difficult than at the head of the rapids, in deeper water and consequently a more dangerous bottom. The construction of the work was allowed to lag over a very long period of time, with a consequent increase of dangers and an ultimate increase of cost, which might not have occurred if the work had been expeditiously done. The Chief Engineer of the Department did not from the outset exercise any supervision over estimates, plans, specifications or work. The Deputy Minister, not being an engineer or familiar with works of this kind, left the control of the matter, so far as the Department was concerned, in the hands of the Assistant Deputy Minister, who consulted from time to time with the Minister, the Deputy Minister and with the Engineer in charge, but who himself had no intimate knowledge of the work which was being done.

NO SPECIFICATIONS FOR UNWATERING.

In the tenders for a wooden dam, the amounts asked for unwatering (which includes coffer-damming and pumping) were $4,000, $15,000, $20,000 and $54,994. So great a divergency should have indicated to the Department that the tenderers held very different opinions as to the difficulty and methods of unwatering the site chosen for the dam. Thereupon the Department should have decided what methods would be advisable, and should have specified its requirements, especially as the Department itself would need to know the probable cost, in order that the reasonableness or otherwise of tenders could be decided on. Such a precaution became essential to sound judgment when it was decided to construct a concrete dam, which required to be kept dry while the concrete was setting; and, besides, the changed site chosen for the concrete dam very greatly increased the difficulty and cost of unwatering. It is cogent evidence of the importance of such precautions that the unwatering which Kirby & Stewart contracted to do for $4,000, has actually cost to date about $135,000, and may cost much more. The truth is, however, that from the time the wooden dam was designed to the time when the contract work was abandoned, no scheme of unwatering was devised by the engineers of the Department, or its requirements stated. If the question had been studied at the outset, the difficulties recognized, and a proper scheme specified, other contractors than Kirby & Stewart might have undertaken the whole work, or a contract might have been entered into with Kirby & Stewart which would not have been violated and finally cancelled before the dam was completed. It is quite possible that a proper study of the unwatering question and the adoption of proper methods would have led to the completion of the dam long before this.

It should be said concerning the engineer in charge of the work for the Department, that when he accepted the position the contract had already been awarded to Messrs. Kirby & Stewart, and the sum of $4,000 for unwatering had been expressly included in the contract, so that when he came to make an estimate, in June, 1909, of what the dam would probably cost in its new location, he merely included as the cost of unwatering the fixed sum of $4,000; and if at that time the thought of its insufficiency occured to him, he may have disposed of it on the ground that the question was no longer open for consideration, but the Commission are of the opinion that he

should have pointed out to the Department the inadequacy of the amount for unwatering to be included in the proposed contract. Excuses of this kind cannot, however, be offered for the other Engineers in the Department, who had to deal with the earlier stages of the matter. It is a fact which is worth noting, that the amount asked for by Kirby & Stewart for unwatering was precisely the amount allowed for that purpose by the Engineer who prepared for the Chief Engineer an estimate of the cost of a wooden dam. If this were a coincidence, it is a strange one.

COST OF UNWATERING ASSUMED BY GOVERNMENT.

It has already been mentioned that the contractors agreed to accept $4,000 for the 'unwatering' necessary in the course of constructing the concrete dam. The amount was absurdly inadequate, but largely through its inadequacy Kirby & Stewart had been the lowest tenderer for the wooden dam, and mainly through this inadequacy also it had been made to appear as though they were the lowest tenderers for the concrete dam. Before executing the contract for the concrete dam, after abundant time for examining the location had elapsed, Kirby & Stewart were specially notified in writing that they would not be allowed more than their bid for the unwatering, and they signed the contract, therefore, with full knowledge or means of knowledge of the risk they ran, that the sum for unwatering would prove insufficient. They unwatered the Ontario side, and commenced a coffer-dam on the island end of the dam on the Quebec side. On the 4th day of January, 1911, the Minister reported to Council that 'authority should be given to pay to the contractors over and above the contract price the actual cost of coffer-damming and unwatering necessary to complete the dam across the Quebec channel, including removal of the said coffer-damming, plus the usual 15 per cent for incidentals, use of tools, office expenses, etc.' This report was approved by Council on the 24th day of January, 1911. By this time the coffer-dam was completed, and unwatering was proceeded with throughout the winter. In May the freshet swept away that portion of the coffer-dam which was built in January. The contractors' claim under the Order in Council amounts to $61,430.38; of this they have received $48,000.

The reasons alleged by the Minister for his report were briefly these, that radical alterations in location and design of the dam had taken place, and also that the whole sum asked by the contractors for unwatering had already been expended on the Ontario side. But as a fact, the alterations referred to had been made prior to the execution of the contract, and after the special notice referred to above had been given to the contractors. The real reasons for the Minister's report were not disclosed therein. The evidence shows that in December, 1910, the contractors interviewed the Minister, claiming an allowance for excavation. This claim was disapproved by the Engineer in charge, but it was suggested that an allowance might be made for unwatering, and the Engineer was asked to prepare a report recommending such an allowance. A discussion took place between the Assistant Deputy Minister and the Engineer on the one side, and the contractors, with their counsel, Mr. McGiverin, M.P., on the other. The Engineer was impressed, he says, with the idea that the contractors were financially unable to proceed with the work unless some extra allowance were made; and consequently he made a report in which the arguments appear that were later the basis of the Minister's recommendation to Council.

Upon the receipt of an application from the Department of Public Works for an amount to pay the contractors under the provisions of the Order-in-Council last referred to, the Auditor General objected that there was 'No record in the Audit Office of any previous case of the kind where an Order in Council amended a contract in the way of giving increased remuneration to a contractor.' This objection was referred to the Deputy Minister of Justice for an opinion, and he replied that if the original contract for the concrete dam had not been illegally given (by reason of the

omission to advertise for tender) the increased payment provided for by the Order-in-Council dated the 24th day of January, 1911, was probably within the power of the Governor-in-Council, provided it was advisable or required in the public interest. This opinion implies that if the original contract was illegally given (which is strongly suggested), the Order-in-Council last referred to was also illegal.

ASSUMPTION OF WHOLE WORK BY GOVERNMENT.

In the beginning of May, 1911, that portion of the coffer-dam which the conditions of the Order-in-Council last mentioned applied to was almost wholly swept away by a freshet. In June the contractors asked that the Department assume the completion of the work and 'pay for the work completed to date.' Mr. Chrysler, K.C., Counsel for the contractors, interviewed the Minister concerning the matter. After consultation between the Minister and the Deputy and Assistant Deputy Minister, it was decided to take over the work, as requested, and the Assistant Deputy Minister was instructed to state in writing the reasons for this decision. His report, after discussion, was also signed by the Engineer in charge. They recommended that 'the work be paid for at contract rates.' A draft report for the Minister to send to Council recommending settlement on this basis was prepared by the Assistant Deputy Minister. On the 18th day of July, 1911, the contractors were notified of the recommendation the Minister intended to make, and they were asked if they concurred in the terms proposed. The contractors personally, or by their counsel, discussed the matter with the Minister. They objected to payment at contract prices, and demanded payment of their actual expenditure. The Minister struck out of the draft the words 'that the work already executed be paid for at contract prices,' and substituted in place thereof the words, 'that the work already executed which may be considered as absolutely necessary be paid for at its actual cost'. By this change the Government would, in effect, assume a loss of about $100,000 which the contractors had incurred. No calculation of the amount of loss, nor any inquiry as to the real causes of the loss, appears to have been made at this time. But the amount was known to be large. In August, 1910, the contractors alleged that they had up to that time made a loss of $57,883 in excavation alone. It was known, too, that the loss had been incurred very largely through delay, neglect and inexperience by the contractors or for which they were liable. The contract prices, except for unwatering, were not on the whole unduly low; for concrete they were not even the lowest quoted in the tenders for a wooden dam. Neither the Assistant Deputy Minister nor the Engineer in charge recommended that on the ground of merit or equity, or any other ground, the Government could assume liability for more than contract prices, and the responsibility for this assumption rests actually, as well as theoretically, solely on the Minister. At the moment of signing the recommendation which was sent to Council, the Minister inserted in his own handwriting the words 'and reasonable' between the word 'actual' and the word 'cost'. On the 5th day of August, 1911, the Minister reported to Council: the report was adopted on the 10th, and approved on the 11th. No mention was specifically made in the report that the contractors' loss had been assumed, nor does the report contain any language which would draw to the attention of Council the real and full significance of the recommendation.

On the 5th day of October, 1911, the Minister personally directed the Deputy Minister, in pursuance of the Order-in-Council dated the 11th day of August, 1911, to execute an agreement which had been drafted in the office of Messrs. Chrysler, Bethune & Larmonth, of Ottawa, acting for the contractors. The Law Clerk of the Department testifies that he was not told to examine the draft, but merely to copy it for signature; the Deputy Minister does not concur in this. A punctuation appears in the agreement which was not in the Order-in-Council, and the difference may be material. The Order-in-Council says 'that the work already executed which may be

considered as absolutely necessary shall be paid for at its actual and reasonable cost.' By the use of two commas, this provision appears as follows in the agreement, 'that the work already executed, which may be considered as absolutely necessary, shall be paid for at its actual and reasonable cost.' By this punctuation a condition may have been changed into an assertion; what was a proviso in the Order-in-Council intended to lead to an investigation as to what work was really necessary may in the agreement amount to a declaration that all the work actually done shall be incontestably assumed to have been necessary. That such a change should have been made in such a manner is at least startling proof of the need of changed methods in the Department. A dispute has already arisen in relation to the language used both in the Order-in-Council and subsequent agreement, as to the meaning of the words 'actual and reasonable cost.' Actual cost may not be reasonable. In such a case are contractors to be paid, not the actual but the reasonable? If so, why was the word 'actual' used? What tribunal is to decide what is actual and reasonable, or if there be a difference between these two, decide what is reasonable?

IMPORTANT LEGAL QUESTIONS.

Very important legal questions arise out of the additional payment to the contractors for the coffer-damming and unwatering done in the winter of 1911, and the assumption when the contract was cancelled of the loss the contractors had previously incurred. Both instances may be referred to as being in their essence violations of the express contract which had been entered into with all due solemnity; in one case, the contractors were promised while the work was in progress a much larger price for the work done and to be done than they had deliberately agreed to accept; in the other case, the contractors were promised an amount not only in excess of the contract price, but for work which had already been fully performed.

Section 36 of the Public Works Act provides that if any works are to be executed under the direction of any Department, the Minister shall invite tenders by public advertisement, unless (amongst other exceptions) it can be more expeditiously and economically executed by the officers and servants of the Department. No evidence was given establishing this exception in the coffer-damming and unwatering instance; no assertion was made in the Order that it proceeded on this ground. Surely if the law requiring tenders is to be set aside on the plea of an exception, the existence of exceptional circumstances must be shown, and the Order-in-Council should contain reference thereto.

With relation to the arrangement made in August, 1911, this question arises,—Has the Council power, not merely to cancel a contract, but to enter into an agreement to make good to contractors a loss they have already sustained? Parliament had not voted money for this purpose; and the agreement was not expressed to be subject to the approval of Parliament. No emergency existed which warranted this agreement, and it cannot be successfully defended either on the ground of equity or necessity. What legal consideration flowed from Kirby & Stewart to the Government for the agreement by the latter to pay a larger sum than the existing contract called for, for work already completed? Time had been the essence of that contract; the last extended time had expired; the contractors were in default; they had perhaps lost all rights under the contract.

In the opinion given by him on the 6th day of July, 1911, the Deputy Minister of Justice expresses the view that if Section 36 of the Public Works Act was not violated, by awarding a contract to Kirby & Stewart for the construction of a concrete dam without obtaining tenders, a payment to the contractors in excess of the amount contracted for, although for the same work, could legally be made by Order-in-Council under certain circumstances. Such a power would easily be capable of abuse. It opens the door very wide to evasions of the law and invites the practice of using

tenders as a mere cover for awarding contracts to favourites. Nothing could be easier than to give contracts at very low prices, to cut out bona fide tenders, and then by Order-in-Council award sums in excess of those contracted for. The practice of relieving contractors, who have taken contracts at too low a figure, from loss on their contracts is to be entirely deprecated. Security for the due execution of a contract is usually made by the contractors by a deposit of 10 per cent in the estimated cost of the work. No instance of the forefeiture of this deposit for non-fulfilment of contract could be recalled by the Deputy Minister or other witnesses within the last fifteen years. On the other hand, other instances were mentioned where the Government had taken the work off contractors' hands, thus saving them from possible loss on their contracts. Such practices generally applied would render the system of competitive tenders a farce, and all contracts one-sided. Inasmuch as in the coffer-damming and unwatering instance, some unwatering work remained to be done by the contractors after the agreement to pay them an amount extra to the contract price, it does not follow that the opinion of the Deputy Minister of Justice about this payment would apply to the August, 1911, arrangement, when the extra payment promised was for work already fully performed.

INEXACT REPORTS TO COUNCIL.

It is, of course, impossible for the Commission to ascertain to what extent the reports of the Minister to Council were supplemented by statements made by the Minister in the Council, but upon the assumption that Council would not ordinarily know from time to time anything more about the matter than was revealed by the various written reports of the Minister on the subject, the Commission are of the opinion that Council never was at any time in a position to realize the circumstances surrounding this work, but that on the contrary, the reports to Council, by inaccurate expression and omission would have a tendency to misinform and mislead the Council as to the real situation of affairs. By way of illustration—attention is particularly drawn to the following matters in the reports to Council,—

In the report dated the 20th day of February, 1909, it was said that 'the amount of the various tenders for the construction of the dam of concrete would be as follows: * * * Messrs. Kirby & Stewart still remaining the lowest tenderers on the altered conditions." This would naturally suggest to Council that the tenders received had been in alternative, for wood and also for concrete, and it also directly states that Messrs Kirby & Stewart were tenderers on the altered conditions, whereas, in fact, the tenderers had not contemplated a concrete dam, and were never asked to tender for such a dam. It will be seen by examination of other reports to Council that this particular misrepresentation was continued from time to time. It was never mentioned to Council in writing that the Auditor General had objected in 1909, and again in 1911, to the legality of the Orders-in-Council; nor that the Deputy Minister of Justice had, by his opinion dated the 6th day of July, 1911, impliedly supported the Auditor General's objection. In the report to Council dated the 11th day of November, 1910, it is said that the work of housing and heating was not provided for in the contract, and that an additional allowance to the contractors was recommended; whereas, it will be seen, by reference to the specifications attached to the contract, that housing and heating had been expressly provided for, and it is a fact that heating was done during the winter of 1910 at the expense of the contractors, without any claim having been made by the contractors for any extra allowance. The report should have stated that it was deemed desirable to alter the method of housing and heating provided for in the contract. This would have caused inquiry, perhaps, as to relative cost, and Council might not have agreed to assume the whole cost. In the report to Council dated the 14th day of January, 1911, mention is made that after authority had been given by Council to change from wood to concrete, it was found

necessary to change the site of the dam, and also considerably change the lines of the original plans, increasing the cost of coffer-damming and unwatering. It was recommended, therefore, that the contractors should be relieved of the work of coffer-damming and unwatering the Quebec Channel, and that the cost should be undertaken by the Government, but no mention whatever was made of the fact that the changes referred to had been all decided upon prior to the execution of the contract by Messrs. Kirby & Stewart, and that the contractors had been notified before they signed the contract that the Department would hold them strictly to the sum which had been agreed upon as the cost of unwatering. The Council could not from the reports know anything whatever of this fact, the knowledge of which was essential to a proper consideration of the recommendation before Council. Furthermore, in this report it is stated that 'the Engineer reports that the contractors have so far executed their work in a first class manner; they have shown goodwill to meet the changed conditions,' language which was broadly commendatory of the manner in which the contractors had performed their contract. The fact was, however, that the contractors had not personally superintended the work, had employed incompetent foremen, and had been guilty of great delay. The Engineer in charge frequently complained to the Department, and in February, 1911, was so strong in his protest that the Deputy Minister was moved to send the following letter:—

28th Feby., 1911.

Gentlemen,—

The attention of the Minister has recently been called to the very unsatisfactory manner in which you have been attending, or rather, not attending to the execution of your work under contract with this Department at Temiscamingue notwithstanding the steps taken by the Department to assist you, and I am directed by the Minister to request an immediate explanation of your negligence in this connection, and to insist on steps being taken by you forthwith to have a member of your firm who would be responsible personally on the ground to direct this work. The Department will otherwise be forced to take some summary action in the matter as it is absolutely impossible to allow the present condition of affairs to go on any longer.

Yours truly,

Deputy Minister.

Messrs. Kirby & Stewart,
Contractors.
Elgin Street,
Ottawa, Ont.

Attention is called elsewhere in this report, with regard to the Minister's recommendation to Council dated 5th day of August, 1911, and approved on the 11th day of the same month and year, that mention was omitted altogether of the fact that very serious loss had been incurred by the contractors, and that the Government was being asked to assume that loss.

The Commission have ascertained that the practice of the Department is, that the Secretary prepares drafts of reports to be made by the Minister, from the files of correspondence concerning the matters to be reported on, and from verbal information given by the Minister or the Deputy Minister. These draft reports are submitted to the Deputy Minister, examined and criticised by him, and such corrections as he indicates are made before the reports are submitted for the Minister's signature. The Deputy Minister, on examination before the Commission, did not seem to be willing to accept that degree of responsibility for the draft reports to Council which the Commission think incumbent upon him. While it is the duty of the Secretary to prepare draft reports, to the best of his knowledge and ability, responsibility for

the final form of the report lies with the Deputy Minister, and if he is unable to examine draft reports as carefully as their importance demands, the practice of the Department regarding them should be so revised as to provide efficient criticism, for it is in the highest degree desirable that reports to Council shall be accurately and fully expressed, so that they shall place before Council, by inclusion or reference, all the information which is necessary to correct judgment. If a draft report contains a reference to a question of law, the draft should be revised by the proper law officer; if it contains a reference to engineering matters, it should be examined by the Chief Engineer or one of his staff, so that statements and opinions made on technical matters shall be upon the responsibility of the proper technical officers.

DEPARTMENTAL IRREGULARITIES.

The Commission desire to draw special attention to the evidence given in this inquiry proving habitual breach of statutory provisions; to the persistent disregard of the authority of the Privy Council, and to continuous failure to keep the Council promptly and adequately informed of facts relating to public works. In November, 1908, two months in advance of any approval by the Council, Kirby & Stewart were informed that they would be awarded the contract for the wooden dam, and were so told in order that they might incur obligations, which were later referred to as an argument supporting a breach of law regarding tenders. In June, 1909, Kirby & Stewart were permitted to begin actual work before their contract was signed, an express violation of Section 17 of the Public Works Act. The Deputy Minister admits that in this particular the law is often violated. Because in March, 1909, the Council had authorized a work estimated to cost $108,050, the Department, four months later, after a complete change of location for the dam had been decided on, entered into a contract involving a cost which the Department then estimated would be $176,000. In August, 1911, the Department having decided to cancel the contract with Kirby & Stewart, authorized the Engineer in charge for the Department to commence work on behalf of the Government in advance of any authority of Council. No authority was given by Council at any time for entering into the agreement with Kirby & Stewart which was executed by the Deputy Minister on the 5th day of October, 1911, after the Government had been defeated and was about to vacate office. Emergencies may arise when action must be taken in reliance on the endorsement of Council, but too great liberty in this respect may easily degenerate into license. If the Council is a body too unwieldy for the prompt action desirable in many cases, the Treasury Board or some other Committee of Council might, perhaps, have power delegated to it to act in such instances as Ministers might bring before it.

After plans and specifications had been completed, and an estimate of the cost made in the month of June, 1909, no mention of the matter was made in writing to Council, or authority taken for the radical changes which had been decided on. In fact, the contract actually executed on the 22nd day of July, 1909, states that the estimated cost of the concrete dam was $108,050, the amount mentioned in the Order-in-Council dated the 20th day of February, 1909, whereas at the time the contract was executed, the Department of Public Works for more than a month had been in possession of an estimate by the Engineer in charge that the structure as then designed would cost $176,840. Not until the 4th day of January, 1911, was Council informed that this increased cost would be incurred, and then merely incidentally to a recommendation that an extra allowance be made to the contractors.

INADEQUATE STAFF IN DEPARTMENT.

From the facts already mentioned, and from a variety of others which are set out in the evidence taken before them, the Commission are of opinion that the staff of the Department of Public Works is inadequate in many respects for the work to be

performed. Having regard to the importance of the contracts which are being entered into from time to time, the law officers who frame the contracts of the Department ought to be men of pronounced ability, with large experience in the practice of the profession in commercial life, and especially with training in relation to the making and interpretation of contracts. The Department now refers to the Department of Justice those legal questions which seem of serious moment, but that involves great and unavoidable delay, and there is much legal work to be done in the Department from time to time with which its own law officers should be qualified to cope if the system of departmental law officers is to be maintained. Having regard to the very important and very rapidly growing amount of work which has to be performed, the permanent engineering staff should be much strengthened. The plans of the engineers in charge of work should be carefully revised and thoughtfully considered by a board or committee of experienced and able engineers. Under existing circumstances the chief engineer is not able to pay that close and particular attention to many matters, for which he is nominally responsible, and which the importance of these matters demands in the public's interest. Not only should proposed works be thoughtfully considered before obligations are incurred, but the progress of works from time to time should be inspected by competent engineers, not personally responsible for or in charge of the works, and who would bring to the work of inspection a freedom from personal responsibility which would allow them to give unprejudiced opinions. The Deputy Minister has too much work to permit him to pay close attention to details, and instances have already been cited in which the result has been unsatisfactory in consequence. True economy will be served by providing a staff thoroughly adequate in size and quality for the important duties which are being constantly performed by the Department of Public Works.

A report of the oral evidence given before us, and copies of such extracts from the documents examined by us as appear to be material, are appended as Exhibits to this report.

All of which is respectfully submitted,

ALFRED B. MORINE,
Chairman.

G. N. DUCHARME,
R. S. LAKE,
Commissioners.

Ottawa, 2nd April, 1912.

EXHIBIT 1.

(Copies of Reports to Council re Lake Timiskaming Dam Contract.)

DEPARTMENT OF PUBLIC WORKS OF CANADA,

P.C. 2631.

OTTAWA, November 28, 1908.

To His Excellency the Governor General in Council:

The undersigned has the honour to report:

That in answer to public advertisement the following tenders have been received for the construction of dam, bulkheads and slides at Head of Long Sault Rapids, Ottawa River, viz.:—

1. T. Sidney Kirby, R. Gordon Stewart	$ 76,000
2. Edward Conroy, David E. Conroy	98,000
3. Edward J. Rainboth	115,609
4. J. Lumsden	265,953

That the lowest tender is accompanied by an accepted bank cheque for $8,000 as a guarantee for the execution of the contract;

That the Chief Engineer estimates the cost of the work at $80,000;

That Parliament at its last session, voted the sum of $75,000 in connection with the above mentioned work, leaving a balance of $1,000 unprovided for to which should be added, for superintendence and contingencies, 10 per cent of the contract price, or in all, say $8,600.

The undersigned has, therefore, the honour to recommend that authority be given to accept the tender of T. Sidney Kirby and R. Gordon Stewart, of Ottawa, at $76,000, for the construction of dam, bulkheads and slide at Head of Long Sault Rapids, Ottawa river, and that Parliament be asked to provide the amount required to carry the work to completion, viz.: $8,600.

Respectfully submitted,

WILLIAM PUGSLEY,

Minister of Public Works.

P.C. 374.

DEPARTMENT OF PUBLIC WORKS OF CANADA,
OTTAWA, February 20, 1909.

To His Excellency the Governor General in Council:

The undersigned has the honour to report:

That an Order in Council was passed on January 18 last authorizing the acceptance of the tender of Messrs. Kirby & Stewart, the lowest of four received, for the

construction of a timber dam, bulkheads and slides at the Head of Long Sault Rapids in the Ottawa River, for a bulk sum of $76,000.

That action, however, has not been taken on this authorization, it being decided upon further consideration and fuller examination into the matter, that in view of the importance of the work, this being the key dam of the scheme for the conservation of the waters of the Upper Ottawa River, it would be preferable to have it constructed of concrete, in order to give it a permanent character and reduce the cost of annual maintenance. Moreover, a great factor in the cost of concrete in the case of dams is the cost of cofferdamming required, which in difficult locations may raise the price of concrete to much higher figures than those given. Cofferdamming will be required at Temiscamingue and unforeseen difficulties in unwatering may be encountered;

That the tenders above mentioned, in addition to a bulk sum price, give a unit price for each class of material, including cement, and applying these prices to the approximate quantities of material in the work, as determined by the Engineer, the amount of the various tenders for the construction of the dam of concrete would be as follows:—

1. Kirby & Stewart—approximately	$108,050
2. E. & D. E. Conroy—approximately	137,500
3. E. J. Rainboth—approximately	145,000
4. J. Lumsden—approximately	165,000

Messrs. Kirby & Stewart still remaining the lowest tenderers on the altered conditions; That attached is the schedule of itemized prices of Messrs. Kirby & Stewart's tender, which prices are considered fair and reasonable.

The undersigned, in view of the foregoing, has the honour to recommend that the Order in Council of the 18th January, above mentioned, be annulled and that authority be given, instead, to enter into contract with Messrs. Kirby & Stewart for the construction of a concrete dam, bulkheads and slides at the Head of Long Sault Rapids, in the Ottawa River, at the unit prices mentioned in the attached schedule, or an approximate total sum of $108,050, and that Parliament be asked to provide the further amount required to carry the work to completion.

Respectfully submitted,

WILLIAM PUGSLEY,

Minister of Public Works.

SCHEDULE of prices quoted in Messrs. Kirby & Stewart's tender for construction of dam, bulkheads and slides at head of Long Sault, Ottawa River,—

Item.	Description.	Measure.	Rate.
1.	British Columbia Fir 12 in x 12 in. in place	Cub. ft	0·64
2.	" " 14 in x 14 in. "	"	0·64
3.	" " 6 in x 12 in. "	"	0 64
4.	White Pine. 12 in x 12 in. "	"	0·64
5.	" 14 in x 14 in. "	"	0·64
6.	" 3 in x 12 in. "	Ft. B.M.	0·04¼
7.	" 4 in x 12 in. "	"	0·04¼
8.	Mixed Timber (squared) in crib	Cub. ft.	0·50
9.	" (flatted) "	Lin. ft	0.15
10.	Iron (Swede or Lowmoor) in drift bolts "	Lb.	0·06
11.	" " in screw bolts "	"	0·06
12.	" " in straps, etc. "	"	0·06
13.	Forged or cut spikes in place	"	0·04
14.	Cast Iron Washers and Separators in place	"	0·04
15.	Anchor Bolts (Swede or Lowmoor Iron), in place	"	0·06
16.	2 inch Iron Rods " "	"	0·06
17.	Proof Chain for Winches, in place	"	0 06
18.	Wrought Iron for Winches "	"	0 06
19.	25 lbs, Steel Rails for Winches, in place	Ton.	$40 00
20.	Common Excavation	Cub. yd	0·30
21.	Rock "	"	1·50
22.	Boulder "	"	0 75
23.	Stone filling in Crib and Talus	"	0·75
24.	Concrete, 1, 3 and 5 in foundation	"	8·50
25.	Unwatering	Bulk sum.	$4,000 00

P.C. 2287.

DEPARTMENT OF PUBLIC WORKS OF CANADA,
OTTAWA, November 11, 1910.

To His Excellency the Governor General in Council:

The undersigned has the honour to report:—

That under authority of an Order in Council, dated 18th January, 1909, a contract was awarded to Messrs. Kirby & Stewart for the construction of a dam, bulkheads and slide at the Head of Long Sault Rapids, in the Ottawa River, for the sum of $76 000;

That the Ottawa River, at the site of the dam, is divided into two channels by an island. The dam across the channel on the Ontario side is now practically completed, and the coffer-dam for a section of the dam across the Quebec channel is nearing completion, and it is expected that it will be ready for the concrete work in a few weeks's time;

That, under ordinary conditions, concrete work is generally discontinued during winter months, but, in this case, it is of the utmost importance that the work be prosecuted uninterrupedly in order that it may be completed in time to remove the coffer-dam before the spring freshets, and prevent all possibility of higher floods than usual which would probably occur in the spring should any obstruction to the free flow of water be left in the bed of the river;

That the carrying on of the concrete work during the winter will necessitate the housing of the section of the dam to be built and the installation of a heating system to prevent the fresh-laid concrete from being damaged during freezing weather;

That this further work is not provided for in the contract and its estimated cost is placed at from $4,000 to $5,000, depending upon the severity of winter conditions.

The undersigned, in view of the foregoing, has the honour to recommend that authority be given to enter into an agreement with Messrs. Kirby & Stewart,—the contractors for the construction of the dam,—for the housing and heating of that portion of the concrete work to be constructed during the winter months, and to pay to them the actual cost of labour and materials necessary for the said housing and heating plus 15 per cent for incidentals, use of tools, office expenses, etc., upon the production of certified vouchers supported by a sworn declaration.

Respectfully submitted,

WILLIAM PUGSLEY,

Minister of Public Works.

P.C. 51.

DEPARTMENT OF PUBLIC WORKS OF CANADA.

OTTAWA, January 4, 1911.

His Excellency the Governor General in Council:

The undersigned has the honour to report:—

That, in January, 1909, an Order in Council was passed accepting the tender of Messrs. Kirby & Stewart to construct a wooden dam on the Ottawa river at the foot of Lake Temiscaming, their tender being the lowest of four received;

That, in March, 1909, a subsequent Order in Council was passed annulling the former and authorizing a change from wooden to concrete structure on the unit price system, for the different classes of materials, as per unit prices submitted in the original tender, Messrs. Kirby & Stewart still remaining the lowest tenderers, under altered conditions;

That the tenders were figured on the basis of quantities supplied by the engineer-in-charge at the time, the quantities being stated to be only approximate, on account of the uncertain nature of the foundations for that part of the site of the dam covered by water;

That, in applying the unit prices to the approximate quantities of excavation and materials in the work, as determined by the engineer, the various tenders were figured as follows, substituting concrete for wood:—

1. Kirby & Stewart—approximately	$108,050
2. E. & D. E. Conroy—approximately	137,500
3. E. J. Rainboth—approximately	145,000
4. J. Lumsden—approximately	165,000;

That, shortly after this, it was decided to form a special Bureau to continue the study of the Ottawa River Storage as well as to take charge of the construction work, and the new Engineer-in-Charge, in preparing detailed plans for the concrete dam, after authority had been given by the second Order in Council to change from wood to concrete, found it necessary to change the site of the dam and alter considerably the lines of the original plans, after further investigations of the bottom of the river which showed that solid rock where indicated on original plans did not exist—closely packed surface boulders under the water having evidently been mistaken for solid rock—and conditions generally not so favourable for safe foundations as expected;

That the dam, under these conditions, required a deep cut-off wall and wide aprons on both the up-stream and down-stream sides, to guard against all chances of undermining, necessitating much deeper and more extensive excavations than anticipated, requiring more plant to carry on the work and increasing considerably the cost of cofferdamming and unwatering, as compared with the work and expenditure which would have been necessary in connection with said cofferdamming and unwatering, under the original plans forming the basis of the tenders submitted;

That so far, about 50,000 cubic yards of material have been removed to secure safe foundations, and the Engineer estimates that 10,000 cubic yards more remain to be excavated in the deepest part of the channel, making a total of 60,000 cubic yards, as compared with 5,730 cubic yards given in the first estimate, in connection with original plans: the concrete also being increased from 9,700 cubic yards to about 13,000 cubic yards;

That the tenders received, based on the amended quantities and unit prices submitted, are now revised as follows:

1. Kirby and Stewart, approximately	$176,840 00
2. E. J. Rainboth, approximately	300,850 00
3. E. and D. E. Conroy, approximately	301,140 00
4. J. Lumsden, approximately	352,279 00

showing that Messrs. Kirby and Stewart are still considerably lower in price than the other tenderers;

That the Engineer reports that the contractors have so far executed their work in a first-class manner and have shown good will to meet the changed conditions, though obliged to secure a more expensive plant to carry on the altered work properly;

That the Engineer-in-Charge reports also that the amount of $4,000 bid by the contractors for unwatering has been all expended in the Ontario channel, and the most extensive and difficult part of the cofferdamming and unwatering, estimated to cost about $20,500, yet remains to be performed to complete the dam across the Quebec channel;

That, owing to an exceptional autumn rise of the water, the difficulties met with by the contractors have been considerably increased, and the work has reached such a critical stage that it is considered necessary, and in the public interest, to co-operate with the contractors in order to rush the work to completion and prevent all possible delays and thus derive the benefits of the reserve water at least one season earlier;

That the contractors claim that though they agreed to execute the work in accordance with the amended plans substituting concrete for wood, the change of site, the change in the section of the dam, the altered conditions in the foundations, have been so much greater than contemplated and expected, that they are entitled to consideration on account of the increased cost, due to these radical changes and alterations from the original plans, which formed the basis of their original tender.

The undersigned, in view of the foregoing, and after careful consideration of all the circumstances affecting the contract, is of opinion that the contractors have a just claim, and are entitled to consideration on account of the greater amount of cofferdamming and unwatering required, involving a larger expenditure, as above mentioned, and recommends that authority be given to pay to the contractors over and above the contract prices the actual cost of cofferdamming and unwatering necessary to complete the dam across the Quebec channel, including removal of said cofferdamming, plus the usual 15 per cent for incidentals, use of tools, office expenses, etc., upon the production of certified vouchers supported by a sworn declaration.

The undersigned also recommends, in order to attain the object in view, that the Order in Council of 22nd December, authorizing an extra expenditure of $4,000 to $5,000 for housing and heating the first section of the dam across the Quebec channel in order to lay concrete without interruption during the winter, be amended, and that

authority be given to enter into an agreement with Messrs. Kirby & Stewart to arrange to continue concrete work during the winter, for the whole length of the dam across the Quebec channel, at a total cost of $8,000 to $10,000 on the terms already approved for the section above mentioned, viz.; actual cost of labour and materials necessary for the said housing and heating, plus 15 per cent for incidentals, use of tools, office expenses, etc., upon the production of certified vouchers supported by a sworn declaration.

Respectfully submitted,

WILLIAM PUGSLEY,

Minister of Public Works.

P.C. 1847.

DEPARTMENT OF PUBLIC WORKS OF CANADA.
OTTAWA, August 5, 1911.

To His Excellency the Governor General in Council:

The undersigned has the honour to report:—

That under authority of an Order in Council dated 18th January, 1909, a contract was awarded to Messrs. Kirby & Stewart, for the construction of a wooden dam on the Ottawa River, at the foot of Lake Temiscamingue;

That, on 13th March, 1909, a subsequent Order in Council was passed authorizing the change from a wooden to a concrete structure, which necessitated considerable alterations in the plans and location of the work, and on account of these changes, and unexpected difficulties met with in the cofferdamming and unwatering necessary to build the concrete dam, on the Quebec side of the river, authority was obtained from Council, on 24th January, 1911, to pay the contractors, over and above their contract prices, the actual cost of cofferdamming and unwatering required, plus the usual 15 per cent for tools, profit, office expenses, contingencies;

That the attempt to build the concrete dam before the spring high water of 1911 has failed. The cofferdam was only laid dry after several months of effort to make it water-tight, on account of the unfavourable nature of the bottom. Work for only a few days was possible in the pit before the cofferdam was overtopped and part of it carried away;

That the small amount of excavation done in the bed of the river for the foundations of the concrete dam, before the cofferdam failed, showed the boulder material to be underlaid by water-bearing sand, and the Engineer in Charge and Assistant Deputy Minister of Public Works are, therefore, of the opinion that close sheet piling extending below the concrete cut off wall of the dam will be advisable as an additional factor of safety. They further recommend, in view of the difficulty experienced this season in passing the four million saw-logs that annually descend Temiskaming lake, that the design of the dam be changed so as to provide larger openings giving a thicker and longer apron for the Quebec sluiceways;

That Messrs. Kirby & Stewart have presented that it would be exceedingly difficult to continue the work under the present circumstances, owing to conditions entirely beyond their control. The close-sheet piling proposed in the foundations, they state, would largely increase their risks, by lengthening the period of difficult work to be done inside the cofferdam. The necessity for this sheet piling was not anticipated, and the work is not, of course, provided for in the contract;

That the Engineer in Charge and Assistant Deputy Minister report that, under the circumstances, it would be advisable, and in the public interest, not to proceed further with the construction of the dam as contracted for, and that the contract should be terminated at the present stage; the security cheque of eight thousand dollars ($8,000) deposited in connection with same to be returned to the contractors, and work already performed, materials delivered and plant supplied, to be paid for. The reconstruction of the cofferdam, erection of the concrete dam with modified openings for the passage of logs and sheet piling to be proceeded with by day's labour;

The undersigned, concurring in the views of his officers above mentioned, has the honour to recommend that the contract with Messrs. Kirby & Stewart, for the construction of a dam on the Ottawa river, at the foot of Lake Temiscaming, be cancelled, and that the security cheque of $8,000 deposited in connection with same, be released, also that the work already executed which may be considered as absolutely necessary be paid for at its actual and reasonable cost, payment for cofferdam and unwatering to be made as per terms fixed by Order in Council dated 24th January, 1911, the completion of the dam including such close-sheet piling in the foundation, and other alterations that may be found necessary to be proceeded with by day's labour, and further that the plant and materials on the ground be bought at a fair valuation based on actual cost supported by vouchers certified under sworn declarations.

Respectfully submitted,

WILLIAM PUGSLEY,

Minister of Public Works.

EXHIBIT 2.

AUDITOR GENERAL'S OFFICE, CANADA,
OTTAWA, January 28, 1909.

SIR,—Enclose please find Mr. St. Laurent's memorandum *re* 'Storage Dam at Foot of Lake Temiscaming,' which you left with me yesterday for consideration of the question whether, in view of the change in plan from Cribwork to Concrete, it might not be necessary to call for new tenders.

The present difficulty is, that a blank item-schedule (intended to be comprehensive and final) was attached in error to a form of bulk-sum tender, and described as 'Prices for extra work.' Prices were named by the tenderers, both for the bulk-sum and for the items; and it is fair to assume that the item-figures are tendered for extra work.

The contract was awarded to tender 'A.' largely as a result of low prices for Excavation and Timber. Tender 'A' named $8.50 for Concrete, as against $9, $10 and $8 from 'B,' 'C' and 'D.' (Attached please find prices paid for Body Concrete on Ontario canals, under contract; the localities being of course easier of access.)

To get a more permanent structure, it is now proposed to change the plan from timber to Concrete,—thus eliminating much of the timber, and increasing the Concrete to nearly three-quarters of the work.

If the question of the public interest in speedy completion is not raised, I do not think that the proposed precedent is a safe one to establish, when the Specification has been so radically altered.

Mr. St. Laurent explains in conversation, that one reason for letting the contract at an early date (without further advertising), is to allow the stop-logs and

other heavy timber to be prepared and delivered before spring-time, and thus enable the dam to be operative at the end of 1909, instead of at the end of 1910.

This would be accepted by the Audit Office as coming under chapter 7 of the Statutes of 1905, namely: 'The Minister.. .. .. shall invite tenders by public 'advertisement,.. .. .. except in cases of pressing emergency in which 'delay would be injurious to the public interest.. .. ..' This Departmental responsibility is not divided with the Audit Office in any way. It is for the Government to say whether the advantages of competition are more than offset by the urgency of the special circumstances.

Lower rates might be obtained on the increased quantities,—or perhaps higher; The saving of one season may not be worth the price paid for it: More experienced contractors might possibly be induced to compete on an improved specification; The extended time might be of use in elaborating the plans, which are present incomplete: All these are questions outside of the Audit sphere of control.

It occurs to me that, since Urgency affects the supply of Timber only, and not the Concrete, it might be feasible to separate the Stop-logs and other heavy timber from the rest of the work, and advertise it in a detailed bill for the Lumber Dealers to deliver on the site, cut to size. This part of the work could proceed at once, while plans and tenders are preparing for the Concrete Dam, to be let on a second contract, to builders of experience in that line, who would take the timber as supplied to them, and fit it into their own structure.

For any contracts let under 'Urgency' instead of 'Competition,' the prices will need to be certified 'Fair and just.'

I am, sir,

Your obedient servant,

J. FRASER,

Auditor General.

The Deputy Minister,
Public Works.

EXHIBIT 3.

—691-11.

OTTAWA, July 6, 1911.

SIR,—Replying to your letter of 19th May last, with reference to the works at present being carried out for your Department by Messrs. Kirby & Stewart in connection with the construction of a dam on the Ottawa River at the foot of Lake Temiscamingue;

It appears that in 1908 public tenders were asked for the construction of dam bulkheads and slides at Head of the Long Sault Rapids, Ottawa River, that the tender of Messrs. Kirby and Stewart, amounting to $76,000, was the lowest tender and that authority for the acceptance was given by Order in Council dated 18th January, 1909. This tender included a schedule of prices, though for what purpose does not, I think, appear from the papers before me. The Order in Council of January 18th, 1909, was never acted upon, as upon further consideration a different scheme of works was decided upon.

An estimate of the cost of the new works, based on the schedule of prices, showed, according to the statement in the Order in Council of 13th March, 1909, that Messrs.

Kirby and Stewart's price would be approximately $108,050, and that this would be lower than any other tenders received worked out in the same manner. The Order in Council of 13th March, 1909, annulled the Order in Council of 18th January, 1909, and gave authority to enter into a contract with Messrs. Kirby and Stewart for the construction of a concrete dam, bulkheads and slides at the unit prices mentioned in the schedule thereto, or an approximate total of $108,050. Such contract was entered into on 22nd July, 1909. On 24th January, 1911, an Order in Council was passed, which recites that the cost revised to that date amounted to $176,840, and gives authority for the payment of large additional sums to the contractors, beyond what they are entitled to under their contract.

You ask to be advised as to the legality of this Order in Council of January 24, 1911. I desire to point out, in the first place, that there is a substantial difference between the works originally proposed and for which tenders were invited in 1908 and the works now being carried out. It appears from the Order in Council of 24th January, 1911, that a concrete structure was substituted for a wooden one; that the site of the dam was changed; the section of the dam also changed; the conditions in the foundations altered; a large amount of work not originally contemplated involved, involving increased cost, due, as the contractors claim, to the 'radical changes and alterations from the original plans which formed the basis of their original tender.'

In these circumstances it is, I think, questionable whether section 36 of the Public Works Act should not have been complied with in respect of the altered project, and therefore, whether in view of the absence of tenders by public advertisement for the execution of the works, the Governor in Council had the power to authorize the contract. Assuming, however, that the contract as executed is *intra vires*, the facts may be such as to show that the increased payments provided for by the Order in Council of 24th January last were advisable or required in the public interest; and if so it cannot, I think, be doubted that the Governor in Council had the power to sanction them if the money necessary therefor be provided by Parliament.

Papers returned.

I have the honour to be, sir,

Your obedient servant,

E. L. NEWCOMBE,

Deputy Minister of Justice.

EXHIBIT 4.

AUDITOR GENERAL'S OFFICE, CANADA.

OTTAWA, April 1, 1911.

The Deputy Minister,
Department of Public Works,
Ottawa.

SIR,—Let me acknowledge receipt of your Application No. 922 for $7,977.90 in favour of Kirby & Stewart, for Coffer-dams, unwatering, etc., at the Temiscaming Storage Dam in January, 1911.

History of Work.

The contract for a concrete dam (instead of cribwork) was signed by Messrs. Kirby & Stewart in July, 1909, though work had been then going on for about two months.

The schedule-of-prices for the Concrete Dam was taken from the tender for the Cribwork Dam, including the item of $4,000 for all the Unwatering. The contractors objected that $4,000 was insufficient, but they signed the Contract notwithstanding. They also objected to the rates for Excavation.

The whole work, as carried through up to the present time, was specified and planned before the Contract was signed; there have been no subsequent changes of importance.

Unwatering the Complete Work.

The Unwatering necessary to carry out the Amended Specifications and plans, may be divided into three sections:—

(*a*) Coffer-Dam across the whole river, some distance north of the permanent sluiceways at the Island. This coffer-dam was to enable the river bed to be excavated down to 570;

(*b*) Coffer-dams above and below the sluiceways in the Ontario channel;

(*c*) Coffer-dams above and below the sluiceways in the Quebec channel.

Unwatering as Actually Performed.

(*a*) The northern Cofferdam was not built. The Contractors were relieved of the necessity of lowering the river-bed any further up-stream than a line 250 feet north of the platform in the Ontario Channel. The river-bed excavation up-stream from the 250 ft. line was assumed by the Department of Public Works, and this part of the work was done, partly by a gang of divers and blasters paid by the Department, and partly by the Departmental dredge 'Queen,' brought down from Haileybury. This was a double advantage to the Contractors, in that it not only obviated the construction of the cofferdam, but also relieved them of excavation at a rate which they claim is too low. An advantage of this kind should always be valuated, and charged to the Contractors.

(*b*) Engineer Coutlee estimates; that the two coffer-dams in the Ontario channel cost about $2,000 each, or $4,000, with (say) $2,000 for pumping: this estimate is not disputed by the Audit Office. The Unwatering of the Ontario channel alone will thus use up the $4,000 of the original tender.

(*c*) There still remains the unwatering of the Quebec channel, now in progress: and the Order in Council of January 24, 1911, proposes that the Government should intervene to relieve the Contractors, namely: 'That authority be given to pay the Contractors, over and above the contract prices, the actual cost of coffer-damming and unwatering necessary to complete the dam across the Quebec channel, plus the usual 15 per cent for incidentals.'

No Precedent for Increased Payment.

We have no record in the Audit Office, of any previous case of this kind, where an Order in Council amended a contract, in the direction of giving increased remuneration to a Contractor, over and above the amount of his tender.

If the Contractors are to be relieved by payment additional to their tender, the only way now apparent is to place a sum for them in the supplementary estimates for 1911-12, with a full description of the circumstances.

Total Cost of Unwatering Quebec Channel.

The items of cost are approximately these:—

1910, to December 31—say..	$14,000	
1911, January 1 to 24—say..	6,000	
		$20,000
1911, January 25 to 31—say..	2,000	
1911, February, $8,000, March, $8,000..	16,000	
		$18,000

Or about $40,000 in all.

If the Order in Council is to operate only after its own date, the $20,000 spent before January 24 would not be included; and the 'coffer-damming and unwatering necessary to complete the dam across the Quebec channel' would cost $18,000 or $20,000.

I am, sir,

Your obedient servant,

FREDERICK HAYTER,

for Auditor General.

The Assistant Deputy Minister,
Public Works Department.

EXHIBIT 5.

DEPARTMENT OF PUBLIC WORKS,
OTTAWA, July 12, 1911.

SIR.—We have the honour to state, regarding the construction of the Temiscaming dam, Ottawa river:—

That in January, 1909, an Order in Council was passed, accepting the tender of Messrs. Kirby & Stewart, to construct a wooden dam on the Ottawa river at the foot of Lake Temiscaming.

That in March 1909, a subsequent Order in Council authorized a change from a wooden to a concrete structure, which necessitated considerable alterations in the plans and location.

That, on account of these changes and unexpected difficulties met with in the cofferdamming and unwatering necessary to build the concrete dam on the Quebec side of the river, an Order in Council was passed in January 1911. This granted authority to pay the contractors, over and above their contract prices, the actual cost of cofferdamming and unwatering required, plus the usual 15 per cent for tools profit, office expenses contingencies, etc.

That the attempt to build the concrete dam before the spring high water of 1911 has failed. The cofferdam was only laid dry after several months of effort to make it water-tight, on account of the unfavourable nature of the bottom. Work for only a few days was possible in the pit before the cofferdam was overtopped and part of it carried away.

That the small amount of excavation done in the bed of the river for the foundations of the concrete dam, before the cofferdam failed, showed the boulder material to be underlaid by water-bearing sand. We are therefore of the opinion that close sheet-

piling extending below the concrete cut-off wall of the dam will be advisable as an additional factor of safety.

Owing to difficulty experienced this season in passing the four million sawlogs that annually descend Temiscaming Lake, we also desire to change the design to give larger openings. This change entails a thicker and longer apron for the Quebec sluiceways.

That in a communication addressed to the Department of Public Works, the Contractors themselves have represented that it would be exceedingly difficult to continue the work under the present circumstances owing to conditions entirely beyond their control. Further, they state that the close sheet-piling proposed in the foundations will largely increase their risks, by lengthening the period of difficult work to be done inside the coffer-dam. This sheet-piling like the unusual difficulties connected with unwatering, was not expected and so, not provided for in their contract.

In view of all these facts, we consider it advisable and in the public interest, not to proceed further with the construction of the work as at present contracted for.

That the contract should be terminated at the present stage by returning the security deposit to the Contractors, paying for work done and materials delivered and plant supplied. We also advise proceeding with the reconstruction of the coffer-dam, the construction of the concrete dam with modified openings for passage of logs, and sheet-piling by day's labour.

We therefore recommend that authority be given to take the necessary steps in order to arrive at a proper and final settlement with the present Contractors. That the work be paid for at contract rates, and also that coffer-damming and unwatering be paid as per terms fixed by Order in Council passed January 1911. That the plant and materials on the ground be bought at a fair valuation based on actual cost, supported by vouchers certified under sworn declarations. That the security deposited in connection with their contract, amounting to $8,000, be returned as there is no default. Authority is also requested to proceed by day's labour with the completion of the dam, including such close sheet-piling in the foundation and other alterations that may be found desirable, as the work progresses.

Respectfully submitted,

A. ST. LAURENT,

C. R. COUTLEE,

Eng. in Charge.

Honourable WILLIAM PUGSLEY,
Minister of Public Works,
Ottawa, Ont.

EXHIBIT 6.

This Agreement made in duplicate, the Fifth day of the month of October, in the year of our Lord one thousand nine hundred and eleven.

Between His Majesty King George the Fifth, represented herein by the Honourable the Minister of Public Works of Canada.

Of the first part:

And Thomas Sydney Kirby and Robert Gordon Stewart, Contractors, both of the City of Ottawa, in the County of Carleton in the Province of Ontario, Dominion of Canada, carrying on together the business under the name and firm of 'Kirby &

Stewart' hereinafter called the parties.

Of the second part,

Whereas, the said Kirby & Stewart, under authority of an Order in Council, dated 18th January, 1909, were awarded a contract for the construction of a wooden dam on the Ottawa river at the foot of Lake Temiscaming.

And whereas, on 13th March, 1909, a subsequent Order in Council was passed, authorizing the change from a wooden to a concrete structure, which necessitated considerable alterations in the plans and location of the work, and on account of these changes and unexpected difficulties met with in the cofferdamming and unwatering necessary to build the concrete dam on the Quebec side of the river, authority was obtained from Council on 24th January, 1911, to pay the contractors, over and above their contract price, the actual cost of coffer-damming and unwatering required, plus the usual fifteen per cent for tools, profit, office expenses and contingencies.

And whereas, on a report of the Committee of the Privy Council approved by His Excellency the Governor General, dated 11th August, 1911, the Minister was authorized, for reasons stated in the said report, to terminate the contract with the firm of Kirby & Stewart, and to return the security cheque of $8,000 deposited in connection with the same, the work already performed, materials delivered, and plant supplied to be paid for;

Now therefore this agreement witnesseth:—

1. That the parties hereto have agreed that the contract of the firm of Kirby & Stewart with the Department of Public Works, for the construction of a dam on the Ottawa River at the foot of Lake Temiscaming be cancelled, and that the security cheque of $8,000—deposited in connection with the same, be released.

2. That the work already executed, which may be considered as absolutely necessary, shall be paid for at its actual and reasonable cost.

3. That payment for the coffer-dam and unwatering shall be made as per the terms fixed by the Order in Council of 24th January, 1911.

4. That the plant and materials of the said Kirby & Stewart on the ground, be purchased and payment made therefor by the Department at a fair valuation, based upon the actual cost, supported by vouchers certified under sworn declarations.

In witness whereof the parties hereto have hereunto set their respective hands and seals the day, month and year first above written.

Signed, sealed and delivered by the Deputy Minister and countersigned by the Secretary of the Department of Public Works, in the presence of:
J. A. CHASSÉ.

J. B. HUNTER,
Deputy Minister of Public Works.
R. C. DESROCHERS,
Secretary.

Signed, sealed and delivered by the parties of the second part in the presence of:
J. A. CHASSÉ.

KIRBY & STEWART,
Per R. GORDON STEWART.

** (Copy of Draft Agreement.)*

THIS AGREEMENT made in duplicate, this day of , 1911.

BETWEEN:

HIS MAJESTY THE KING, represented herein by the Honourable WILLIAM PUGSLEY, Minister of Public Works of Canada,

Of the First Part.

and

THOMAS SYDNEY KIRBY, of the City of Ottawa, in the County of Carleton, contractor, and GORDON STEWART, of the said City of Ottawa, contractor, carrying on business under the firm name of KIRBY & STEWART,
Of the Second Part.

WHEREAS, the said Kirby & Stewart, under authority of an Order in Council, dated 18th January, 1909, were awarded a contract for the construction of a wooden dam on the Ottawa River at the foot of Lake Temiskaming:

AND WHEREAS, on 13th March, 1909, a subsequent Order in Council was passed, authorizing the change from a wooden to a concrete structure, which necessitated considerable alterations in the plans and location of the work, and on account of these changes and unexpected difficulties met with in the coffer-damming and unwatering necessary to build the concrete dam on the Quebec side of the River, authority was obtained from Council, on 24th January, 1911, to pay the contractors, over and above their contract price, the actual cost of coffer-damming and unwatering required, plus the usual fifteen per cent, for tools, profit, office expenses and contingencies.

AND WHEREAS, on a report of the Committee of the Privy Council, approved by His Excellency the Governor General, dated 11th August, 1911, the Minister was authorized, for reasons stated in the said report, to terminate the contract with the firm of Kirby & Stewart, and to return the security cheque of $8,000 deposited in connection with the same, the work already performed, materials delivered, and plant supplied to be paid for:

NOW THEREFORE THIS AGREEMENT WITNESSETH:

1. THAT the parties hereto have agreed that the contract of the firm of Kirby & Stewart with the Department of Public Works, for the construction of a dam on the Ottawa River at the foot of Lake Temiskaming be cancelled, and that the security cheque of $8,000 deposited in connection with the same, be released.

2. THAT the work already executed, which may be considered as absolutely necessary, shall be be paid for at its actual and reasonable cost.

3. THAT payment for the coffer dam and unwatering shall be made as per the terms fixed by the Order in Council of 24th January, 1911.

4. THAT the plant and materials of the said Kirby & Stewart, on the ground, be purchased and payment made therefor by the Department at a fair valuation, based upon actual cost, supported by vouchers certified under sworn declarations.

IN WITNESS WHEREOF the said the Minister of Public Works hath hereunto set his hand and seal and the said parties of the Second Part have hereunto set their hands and seals.

Signed, sealed and delivered in the
presence of:

* *This Draft Agreement was endorsed on the back as follows:—*

Dated. 1911.

His Majesty the King

and

Kirby & Stewart.

Agreement.

Chrysler, Bethune & Larmonth,

Barristers, Ottawa.

PUBLIC SERVICE COMMISSION

1912

SPECIAL REPORT

ON

SOREL SHIPYARD.

Marine and Fisheries Department.

To His Royal Highness the Governor General in Council:

May it Please Your Royal Highness,—

The Public Service Commission have the honour to present a report concerning the shipyard at Sorel, in the Province of Quebec.

The Commission were fortunate in obtaining the services of Mr. W. S. Jackson, a practical shipbuilder of long experience, and of Mr. T. H. Schwitzer, a mechanical engineer, to investigate closely the physical conditions of the shipyard, and the methods of work pursued there. Their report, submitted herewith, has the approval of this Commission. Messrs. Price, Waterhouse and Company of Montreal, chartered accountants, were employed by the Commission to investigate the books and accounts at the shipyard, and their two reports are also forwarded herewith. These also have the approval of this Commission. It will be noticed that so far as they touch upon the same subjects, the reports agree with one another.

The Commission also submit a report of evidence given before two of the Commissioners at Sorel. The Commission have not thought it necessary before reporting to take any more evidence than is here submitted, as it did not appear probable that anything further could materially affect the conclusions at which the Commissioners had arrived.

Upon the three reports, the evidence submitted, and the personal observations of the two Commissioners, we make the following findings:

(1) There has been grave mismanagement in the conduct of the operations of the shipyard. Great waste has resulted, and the conditions which have existed for some time demand that drastic reforms shall be instituted.

(2) This grave condition of affairs is chiefly due to three facts:—

(*a*) For several years the direction has not been under a practical shipbuilder, and has been inefficient.

(*b*) A sufficiently close connection has not been maintained between the shipyard and the Department of Marine and Fisheries; *i.e.*, there has been little or no inspection and control from headquarters of the operations at the shipyard.

(*c*) The Director has submitted too completely to political pressure from candidates or supporters of the government for the time being. Those working in the shipyard have come to feel that the shipyard is a political institution, and have not been inspired with the knowledge that good work is the prime requisite to continued employment.

(3) The shipyard has been maintained principally for two purposes:—

(*a*) The repair of dredges and other craft engaged in the work of the St. Lawrence ship channel and otherwise, and

(*b*) The construction of dredges and other craft for the ship channel and for other purposes.

The repair work chiefly takes place in the winter. In the summer, the larger portion of the work has been the construction of new dredges and other craft. It has been suggested that construction work at Sorel should be abandoned, and that the dredges and other craft required for the Governemnt service should be obtained by tender and contract from private builders. This suggestion has been based upon the undoubted fact that the cost of construction at Sorel has been larger than it should have been, and has been increasingly expensive. It is said that the government can obtain the craft it requires more cheaply by the tender and contract system than by

building at Sorel. We find that if construction in the summer time be wholly abandoned, there will not be sufficient work to maintain the skilled workmen necessary for repair work in the winter. Sorel is too small a place to afford employment to many such workmen except in the shipyard, and consequently efficient repair gangs will not be readily obtainable. For this and for other reasons we think it desirable that construction work should be continued at Sorel, if arrangements can be made so that there will be a closer approximation between the cost at Sorel and by tender and contract. With the plant which is now at Sorel, supplemented in certain particulars, it is possible for the shipyard at Sorel under competent management to construct dredges and other craft as speedily, cheaply and well as by private shipyards. We believe that if a thoroughly competent practical man can be placed in charge of construction, the cost, quality and speed of the work done will justify the maintenance of the shipyard, not merely for repair work, but for construction work also. We suggest that as a test of what can be done under capable management, a practical and experienced shipbuilder shall be placed in control, and an order now be given for the construction of a dredge or other vessel, and another order be given at the same time for a similar dredge or other vessel to a private contractor, and that those connected with the shipyard shall be informed that the result as to the cost, quality and speed of the work will largely determine the question of the future maintenance of the shipyard as a point for construction. To place the shipyard at Sorel in a position to do the best possible work, reforms must be made, and the best results cannot be attained speedily, but nevertheless the test proposed would be a valuable one.

In view of the large cost of installing and maintaining shipyards, and the prevailing tendency to merge large industries, it is desirable that the Government should maintain shipyards of its own, even though the cost of the work may sometimes be greater than for similar work by tender and contract, having in view the value of such shipyards as regulators of prices, and as instruments for preventing monopolies.

(4) We find also that having regard to its situation on the St. Lawrence, and to quality and the quantity of labour obtainable, Sorel is well situated as the site of a shipyard. The evidence goes to show that the men employed in the shipyard are competent, and that if they can be impressed with the knowledge that political considerations will not be invoked to excuse them from doing the best they are capable of, they can produce good results. They should be given to undersand that the official in charge of the shipyard will not be interfered with in the exercise of authority to employ and to dismiss, and that partisan political considerations will not be permitted to exercise any influence over the operations at the shipyard.

(5) We find that the person in charge of the practical operations should be supreme in the control of the yard, but that he should be advised in the exercise of that authority by a Board constituted of the Assistant Director and the Chief Accountant. The Superintending Engineer of the Ship Channel might be asked to sit on this Board when at Sorel. Regular meetings of the Board should be held, at least weekly, the Director presiding, and minutes of its proceedings accurately kept, and a copy of these minutes transmitted each week to the Department at Ottawa. It should be clearly understood that the supreme authority of the Director is not lessened by the existence of this Board, whose functions should be merely consultative and advisory. The Assistant Director should have immediate charge of all the correspondence, subject, of course, to the Director, and be helpful to the Director in every possible way. The Chief Accountant at the shipyard, though subject to the Director, should also be placed under the authority of the Chief Accountant of the Department at Ottawa, and should report periodically. The practical operations of the Shipyard should be inspected from Ottawa, at least once in three months, and perhaps oftener, and the Chief Accountant at Ottawa should cause the accounts and books at the shipyard to be inspected at least once in three months. One of the

causes of trouble at the shipyard has been the feeling of detachment from and complete independence of the Department at Ottawa, except, perhaps, in the recognition of the direct authority of the Minister of Marine and Fisheries over the Director at Sorel.

In our opinion it is essential to the successful prosecution of work at the shipyard that every vestige of political patronage should be destroyed, and that the men employed there should be made to realize that neither employment nor dismissal shall be affected in any degree by partisan considerations. The men in charge of operations should be convinced that the best possible results in the form of work done are expected of them, and that to produce these they will be given authority as well as responsibility. If the Director wishes to dismiss men for incompetency or other cause, or because the number employed is too large, he should not only have authority to do so without referring the question to the Department, but should be instructed that he is not so to refer a matter which is solely within his discretion. If foremen or labourers are required, the Director should employ the best men he can obtain, and not be restricted to choose from lists supplied to him by the Department or from any other source. In this way, the Department will be relieved of much unpleasant work, and also of fault-finding criticism, and at the same time the quantity and quality of work done will show vast improvement. No objection can be made to the receipt of recommendations from any persons who desire to procure employment for men, and lists of such recommendations should be kept at the shipyard for reference, but the point is that the Director should not be cribbed, cabined and confined in the exercise of his authority by the existence of such lists. No person unworthy of being entrusted with the exercise of such powers should be placed or be continued in charge at Sorel, and no person could succeed there without enjoying the complete confidence of the Department and possessing the authority indicated.

We suggest that when a new Director has been appointed, the Minister of Marine and Fisheries shall publish to those employed in the shipyard a statement expressive of the principles on which operations shall be continued, for the purpose of aiding the new Director, by an unmistakable announcement of what will be expected from all those employed in and about the shipyard. This course is proposed because unrest has been created by partisan agencies, and there is grave necessity for restoring discipline and displaying authority.

We are of opinion that hereafter, the person in charge at Sorel should be designated Superintendent, and the present Assistant Director be known as Assistant Superintendent, as significant of the closer relations hereafter to be maintained between the Department and the shipyard.

In the report to the Commission by Messrs. Jackson and Schwitzer, very many improvements which should be made in the shipyard have been pointed out, with a view to convenience, to the saving of expense and to the performance of more and better work. While endorsing the suggestions therein made, the Commission feel that the practical working out of these proposed improvements should be left to the discretion of those charged with the direction of affairs at Sorel, and that the support of the Department of Marine and Fisheries and of the Government should be given to these officials in all attempts to improve the physical condition of the shipyard and all that appertains to it. If the direction of the shipyard be competent, and if the close connection with the Department which is here recommended be maintained, all necessary improvements will undoubtedly follow as quickly as may be expedient.

The Commission draw special attention, however, to questions which arise with reference to a lease of the land on which a principal part of the shipyard buildings have been placed. That lease contains a provision for the purchase of the land by the Government, and having regard to the value of the works placed on the land by the Government from time to time, and to the situation of the land on the

Richelieu River, it should be seriously considered whether the land should not be purchased at once, if the shipyard is to be maintained and improved. It has been suggested that the leased land can be abandoned, and the operations of the yard carried on further down the river, but this would involve considerable expense, and the location might not be so convenient for certain purposes. This matter, however, is one on which the Commission have not, at present, sufficient information to express an opinion, and, therefore, content themselves with drawing attention to the subject.

Hitherto the Director has resided in the town of Sorel, on the side of the Richelieu River opposite to the shipyard. This has made close touch and observation of the yard somewhat difficult. We find that the new Director should be provided with a residence near the shipyard, and have been informed that a suitable place can be obtained at a reasonable price.

The Commission informed the Minister of Marine and Fisheries, some days ago, of its intention to make a finding to the effect that it was desirable to appoint a practical ship-builder in place of Mr. Papineau, the Director of the shipyard. It has since been announced that Mr. Papineau has resigned, and the question of the qualifications which should be possessed by the man to be appointed as his successor is properly open for observation. It has been said that as the labourers at the shipyard are almost exclusively French-Canadians, and few of them able to speak English, the new Director should be a French-Canadian, or at least able to speak French; that otherwise dissatisfaction may prevail amongst the labourers, and the new Director find his position very difficult and unpleasant. After inquiry regarding this matter, the Commission are persuaded that not much weight should be attached to these considerations. As to the language question, it is sufficient to point out that while ability to speak French would undoubtedly be an advantage to the Director, yet such a qualification is not indispensable, for the Assistant Director and other officials at the shipyard are capable of speaking both languages, and the orders and instructions of the Director from time to time could, without difficulty, be conveyed to those persons who would have the oversight of the performance of such orders and directions. The matter of supreme importance is that in experience, ability and character, the Director should be a man capable of impressing himself and his authority upon those employed at the shipyard. The dredges and other craft constructed and repaired are of steel and iron, and, therefore, an extensive knowledge by the Director of steel and iron shipbuilding is a prime requisite; experience in the control of large numbers of shipbuilders is another requisite; tact and discretion in the handling of men is a third requisite. Labourers are very quick to observe ignorance or other incapacity on the part of their superiors, and they very soon lose confidence in the direction of any man who does not know his business practically. On the other hand, they have respect and confidence in the man whose conduct evinces a through knowledge of the subject over which he has control. No greater injury could be inflicted upon the Sorel shipyard, and all those who have employment in it, or are otherwise concerned about it, than that the direction of its affairs should be in the hands of an incompetent or inexperienced man. Such a continuance would necessarily result in the termination of construction work at the shipyard, and the non-employment, therefore, of one half, perhaps, of the force which has hitherto been maintained; and as we have already pointed out, this would make it difficult to obtain repair gangs, and consequently it might happen that the existence of the shipyard, as a place for repair work, even, would be terminated. We are satisfied, therefore, that an effort should be made to obtain for the practical direction of the affairs of the shipyard, the ablest, practical and experienced ship-builder of steel and iron vessels whose services can be procured, without regard to the question of racial extraction or of language. A decision that this shall be the case, and an appointment of a Director upon the sole ground of his qualifications as a ship-builder, will of itself be a significant intimation of that new policy which alone can justify the continuance of

Sorel as a place for construction, and which, if successful, will lead on, by and by, perhaps, to the enlargement of the yard, and the establishment of a great national place for the construction of vessels not merely connected with dredging, but with the whole service of the Dominion.

All of which is respectfully submitted.

ALFRED B. MORINE,
Chairman.

G. N. DUCHARME,
R. S. LAKE,
Commissioners.

Ottawa, 31st May, 1912.

SUB-REPORT re SOREL SHIP YARD No. 1.

BY MESSRS. W. S. JACKSON AND T. H. SCHWITZER.

To the Public Service Commission:

GENTLEMEN,—In March last you requested the undersigned to undertake an investigation of affairs in the Mechanical and Practical Departments of the Government Ship Yard at Sorel, P.Q.

Accordingly we proceeded to Sorel, and from the 11th March to the 5th April, were continuously engaged in examination of all parts of the Ship Yard coming within that scope, and of all officials and employees connected therewith.

As a result, we have the honour to present a report, arranged under various headings indicative of the subject or branch of work under review; and submit therewith appendices referred to in the report.

* We also present for reference plans and blue prints of the whole Ship Yard, parts thereof, and various craft under construction therein. The report follows:—

GENERAL DESCRIPTION.

The yard is under the Marine and Fisheries Department, and all instructions regarding the work to be done at the yard are issued by this department, and are issued by the Minister or Deputy Minister. The yard is under the supervision of Mr. Papineau, who has the title of Director of the yard. Mr. Papineau has under him and reporting direct to him the Assistant Director, Accountant, Cost Department, Paymaster, Timekeeper and Storekeeper. The Assistant Director, Mr. Terreault, has under him all the different shops, ship yard and drafting office. Mr. Papineau has held his present position for about two years, previous to which time he was for about one year Assistant Director under Mr. Desbarats, coming to this position from the Department of Public Works, where he was employed as a civil engineer.

The yard shows a remarkable lack of proper control, discipline and proper regulation throughout all departments. Wherever you go you can find men in bunches of six to twenty loafing around, comfortably seated around a fire, smoking and some of them even asleep. This loafing is very apparent, yet no action whatsoever seems to have been taken to stop it. A certain amount of this can be attributed to the fact that the yard is overstocked with men, and it must be hard at times for a foreman to find work for all the men under him. Six and seven men are seen doing the work of two or three. One foreman on being asked why he used so many men on a certain work remarked, that he had "to keep them busy, and if they were not doing that there would be nothing else for them to do." The Assistant Director or the foremen have very little or no authority over their men. They cannot discharge a man, being only able to report him to the Director. The Director reserves for himself the right of employing or discharging all men; he does this from purely personal reasons, being afraid of the political side of the affair, as his evidence will show. The fact of his doing this takes away from the heads of departments and foremen the proper authority they should have over the men to control them.

* Plans not printed.

The yard has practically no general supervision as the Director and Assistant Director spend nearly all their time in their offices. We have never seen either the Director or Assistant Director out in the yard supervising the work during the time we were there. We can see the effect of this lack of proper supervision throughout the whole yard.

The yard is located on the southwest shore of the Richelieu River, and extends to the River St. Lawrence. The yard is located on part government property and part private property, an annual rental of $1,200 being paid for the private property. No taxes or insurance are paid on any of the property. The property owned by the government comprises an area of about 80 acres, but only about 14·5 acres of this property is at present in use. The property owned by the McCarthy estate comprises an area of about 9·7 acres, making a total area of 24·2 in the present yard.

The buildings are mostly of wood construction, built on piles on account of the swampy nature of the ground. The only brick buildings being the old power house, which is now used for boilers and the upper floors for pattern storage, and the new power house which is of comparatively new construction. Some of the buildings are in very poor condition, and all are exceptionally dirty and poorly kept. The list of buildings, their use and condition of same is shown in Appendix "A." There are a large number of small buildings, shanties, watchman's house, &c., scattered all over the yard. These should all be torn down and scrapped, as they are simply loafing places for the men. These houses all have nice comfortable seats and lounging places, with a nice warm fire nearly always burning. The whole yard wants a general cleaning up and overhauling, scrapping a lot of useless material, &c., which is lying all over the place. All the buildings should be gone through and a thorough cleaning given to them all, using whitewash without sparing it, as it is cheap and badly needed. The shops all have heaps of scrap of all kinds lying all around inside of them, which should all be cleaned out and make the buildings present a neat and tidy appearance. They have enough labourers in the yard to do this work without in any way interfering with their present operations.

The yard is equipped with a very good industrial railway system which is shown on the yard plan marked Appendix "B."* The railway is only used in the summer time being allowed to remain covered with the snow all winter; all the heavy moving being done with horses and sleighs. The principal lines of this railway could be easily kept clear of snow during the winter months, and all heavy material carried on this railway, thus doing away with a great deal of teaming work. This railway should have extensions running to all wharves for the convenience of handling material. Should the yard be retained as a repair yard only, the present location is suitable and would be satisfactory for this work. Should the yard carry on both construction and repair work we consider it would be advisable to move the yard towards the St. Lawrence river, thus giving better facilities for launching, and bringing the stores closer to the construction, thereby saving a great deal of time and labour. The present buildings could be moved to new locations doing away with the rented property altogether. The outer end which at present is low lying land and covered with water during high water period could easily be reclaimed and made of service to the yard.

The yard at the present time is practically accessible to everybody, and has no means of keeping strangers out, strangers wandering at will throughout the yard and engaging in conversation with the men. The yard should be completely enclosed with a fence as shown on plan marked Appendix "B"*—thus providing only one entrance to the yard. The office should be so placed that it should not be necessary for anybody having business in the office to enter the yard.

The offices are very poor and not in keeping with a government yard at all. They are too small, low ceilings, badly lighted and ventilated, in fact some of them are so

* Not printed.

crowded that the air is impure. The toilet accommodations for the number of office staff is sadly inadequate, badly placed and not kept properly cleaned as they should be. We would recommend that new offices be built at the main entrance gate as mentioned hereinbefore. No strangers should be admitted to the yard without a pass signed by the Director.

The fleet during the winter months could be enclosed with portable fences similar to snow fences used by the railway companies; these fences could be locked together during the winter and stored away during the summer months.

The boats are all launched in the Richelieu river, the river being about 500 feet wide and 25 feet deep where the largest boats are launched. The longest boat ever built at the yard is 270 feet. The longest boat they could launch at the yard with present facilities is about 300 feet long. Boats of greater length could hardly be safely launched with present facilities and difficulties in the way. A basin could be very easily dredged opposite the ship yard so that longer boats could be built and safely launched. The present conditions will permit of the building of two large boats, two small tugs and three or four scows at the same time.

The yard is equipped with two so-called marine railways, but these are not really marine railways at all, being ordinary hauling-out ways. These ways are used to haul boats out for repairs to hulls, propellors, &c. The new ways will accommodate a boat of about 1,000 tons displacement, while the old ways are used for small boats such as tugs and scows, &c.

The organization of the yard is shown on organization chart marked Appendix "C." The organization is well laid out, if properly carried out, but it is not in this case. The accountant does not know what the storekeeper is doing, nor does the Assistant Director know half the time what the foremen are doing, these men very often going to and getting their instructions from the Director which does not tend to help good management in any way.

The whole ship yard wants to be completely overhauled, and something drastic must be done to bring the yard into good shape. The Director should be a shipbuilder and his assistant and foremen must be men of calibre and of good modern practices. The men must be handled in such a way as to let them see that their superiors know what is required of them, and if they won't fall in line, pick up and stir themselves, the foreman must have power to discharge them. The yard will never be up to date or capable of any good economical work until about three-quarters of the present employees are discharged and new blood put in.

A proper set of rules and regulations should be drawn up and posted throughout the yard. The men should be given to understand that these rules and regulations would be carried out to the letter. At present the yard has no printed rules and regulations, everything being done verbally.

The Director must himself appear frequently in the early morning and his assistant every morning to see the men started. He and the foremen should consider it part of their duty to be at different parts of the yard every starting and stopping time, and make the men stay at their work until the whistle blows.

The Director, Assistant Director, Accountant, Cost Clerk, Timekeeper, Paymaster and all foremen were put through a cross-examination as to the methods of working, &c., of the various departments. These questions with their respective answers will be found in Appendix "D."

PURCHASING OF GOODS.

All goods or materials at the present time are purchased through the general purchasing agent at Ottawa. Any material for stock is ordered by the storekeeper who just uses his own judgment when new stock is required, having no maximum or minimum amount placed on any thing in stock. The storekeeper makes out a requisition on the Director, who in turn makes out a requisition on the general purchasing

agent at Ottawa. The general purchasing agent gets prices on goods, and orders them as he thinks best. This procedure takes on an average a month's time before the goods are ordered. The general purchasing agent sends a copy of his requisition to the yard on which is the firm from which goods are ordered with the price to be paid for these goods.

All goods bought on samples should be properly checked by sample by a competent man. All goods ordered from Ottawa by sample should have the sample returned by Ottawa to the yard. All goods received at the yard and not according to sample should be returned immediately. This has to be done only a few times before the shipper of the goods becomes aware that goods have to be according to sample. At the present time this is not done, as there is generally some compromise made and the yard retains the goods sent although in some cases they are of a much inferior quality. The invoices and goods are all checked from this requisition. All goods are first put into stock and entered on stock books and are withdrawn from stock on requisition forms from the foremen or heads of departments. We consider that a great deal of time and money could be saved if all standard material was purchased on yearly contracts. These contracts could all be arranged by the general purchasing agent and copies of all these could be sent to the yard. The Director could then order direct from manufacturer, and thus save a lot of time and unnecessary work at Ottawa and the yard. Copies of all orders for material could be sent to Ottawa as a check on the amount of material ordered.

In making basis price contracts for supplying steel plates and shapes for construction purposes, a rolling margin of 2½ per cent over and 2½ per cent under calculated weights ought to be insisted upon, and every invoice calculated and rectified before being passed for payment.

A list of extras for steel material, tapered plates and plates under a certain width, also angles under a certain size should be agreed upon in the contract, and all extras carefully noted. All such material bought should be stamped L.R., and test certificates supplied and attached to the invoices.

All castings and forgings contracted for by weight should be carefully checked by the drawing office staff and any extra weight over the drawing calculated weights should be deducted from the invoices before being passed for payment. All structural steel castings should be tested according to Lloyds Rules and Regulations and test certificates supplied with each casting.

The stock of goods carried at the present time is far in excess of that required; this is partly due to the length of time it takes to get goods by the present system.

EMPLOYMENT.

The method at present in vogue of employing and discharging men is not such as would be used in any well organized yard. The Director does all this himself, for the reason that nearly all men engaged in the yard come with letters addressed to the Director. This should be done away with, and nobody should be taken on unless absolutely needed. When any new men are required in the yard the Director should not have to deal with this at all, it should be left in the hands of a reliable man who should be allowed to hire the best qualified man for the position, consulting with the foreman as to the man's qualifications. This man should keep a record of all men engaged, all applicants for work with their qualifications, and report to the Director or Assistant Director whenever a new man is engaged, stating for which department the man was engaged. The foreman should be the judge as to whether a new man is required in his department, and should notify the employment clerk when he needs a new man, stating what qualifications he requires in this man. The employment clerk could then look over his list of applicants and pick out from this list the man most suitable for the position, and refer these to the foreman for his approval. The

foreman should have the authority to discharge what men he sees fit and then make him in every way responsible for the output of his department. When any man is discharged by a foreman the foreman should notify the employment clerk giving reasons for discharging the man, the employment clerk keeping records of all men discharged. All foremen and heads of departments should be engaged or discharged by the Director without any outside interference, leaving it to his judgment as to the best man for the position. The employment clerk should make a weekly return to the Director showing the number of men employed in each department of the yard.

The men are paid time and a half for over-time work. The amount of over-time work at the yard is comparatively small. The yard has two days for which they receive pay. They are allowed half day on Victoria Day, half day on Dominion Day, and the whole day on Labour Day. They have made a compromise with the Director and work all Victoria Day and take all of Dominion Day off. The rest of the holidays for the yard is without pay. The following is a list of holidays for the yard force:—

New Year's Day.—Closed for about 7 or 8 days. The Director posting a notice as to the length of time yard is closed.
Epiphany.—Closed all day.
Ash Wednesday.—Closed in the morning.
Good Friday.—Closed in the morning.
Ascension Day.—Closed all day.
Victoria Day.—Work all day.
Dominion Day.—Closed all day. Paid.
Labour Day.—Closed all day. Paid.
All Saints' Day.—Closed all day.
Christmas Day.—Closed all day.

In July or August each year the men without any permission take about three days for the purpose of fishing or going to the races. All the yard, except office, is closed down during these days. It has become an annual practice for the men to do so. This practice should be done away with at once.

The working hours of the yard are from 7 a.m. to 6 p.m., from March 1st to October 1st, and from 7 a.m. to 5 p.m., from October 1st to March 1st, one hour being curtailed on account of darkness. The hours for outdoor workers should be further curtailed during the winter months. The yard is allowed one hour and five minutes for lunch.

The office staff get paid for all holidays, and are allowed about ten days with pay during the summer months. The office hours are from 8.30 a.m. to 5 p.m. the whole year around. The office staff is allowed one and a half hours for lunch. The following is a list of holidays for the office staff:—

New Year's Day.—Closed for 2½ days.
Epiphany.—Closed all day.
Ash Wednesday.—Closed in morning.
Good Friday.—Closed in morning.
Ascension Day.—Closed all day.
Victoria Day.—Work all day.
Dominion Day.—Closed all day.
Labour Day.—Closed all day.
All Saints' Day.—Closed all day.
Christmas Day.—Closed all day.

The office staff during the summer months get every alternate Saturday off. The office staff and foremen's wages are such as to cover over-time and holidays.

STOREKEEPER.

This department is divided up and scattered all over the yard. All small stores are located in same building as the office, while the larger stores are located in various other buildings. The rivets, nails, &c., are stored in a separate building which is about as far away from the construction as it could well be. The wire and manilla ropes are in another separate building; castings are lying pretty much all over the yard and the storekeeper has no way of keeping proper track of these. The stores should be consolidated into one large building and a good fence built around all castings so that it would be impossible to get any stores without the storekeeper's knowledge. All goods are received and checked by the storekeeper and entered with prices on the stock books as received. All goods bought for the yard are first charged to stock and then charged against the job. All goods are given out of the stores on requisitions from the foremen or other heads of departments who state on requisition the job number for which the material is required. The requisitions are entered on the stock books on the debit side, the price of the material is marked on this requisition by the storekeeper and then forwarded to the cost department where it is charged against the job. This requisition is only made in single copies, there being no carbon copies made by any department. This requisition should be made with carbon copy so that the storekeeper could have a copy for his own file for reference, the original being sent to the cost department as before.

The storekeeper has 11 men under him to handle the stores, keep the stock books and check all goods as received. This seems a very large staff for the work to be done. The men should be assigned to certain definite parts of the storehouse, that is they should have one man look after all castings, plates, angles, &c., another man to look after all pipe fittings, valves, &c., and these men should check all these goods when coming into stock and should give out all stores from their respective branches, thus making these men in every way responsible for the stock under their charge. By the present method of every man in the store department having access and the giving out of any class of goods makes it so that no one man can be held responsible for goods. All goods received are checked from copy of requisition sent from Ottawa both as to prices and material. The head storekeeper signs and passes all invoices as to goods being received, the price being right, and the extensions correct. The head storekeeper should only sign invoices as to goods being received and should not check as to price and extensions; this is the accountant's work. The invoices are sent from the store department to the accountant who again certifies as to the amount being correct, &c., and then passes the invoice on to the Director who certifies the invoice for payment, the invoice is then sent to Ottawa where a cheque is issued covering the invoice. This entails a duplication of work, and should not be necessary at all. The storekeeper can sign for goods received, the accountant can sign for prices and extensions and send the invoice direct to Ottawa; the accountant making a bimonthly statement of all invoices passed and submitting this to the Director for his information. The present value of the stock is an unknown quantity as no records or inventory has been taken for three years, an inventory is being taken at the present time. This inventory should be checked against their stock books to see how they tally. They carry on an average, stock for about six months ahead which is quite unnecessary. All goods bought on sample are checked by the store department, they generally send out the sample from the yard and then check goods when they come in from what they have at present in stock. When goods are not as sample the Director takes the matter up with Ottawa and the disposition of the goods is settled by Ottawa.

SCRAP.

All scrap material is sorted out as scrapped and is stored in piles at far end of yard according to the kind of material. All brass scrap is kept under lock and key,

and is overhauled by the stores department before selling. There are no records kept of what is scrapped, the material being scrapped by the foreman in each department. The purchasing agent at Ottawa writes to yard about once a year asking them for approximate amount of scrap on hand; on receiving this information the department at Ottawa calls for tenders for scrap material and gives the contract to the highest bidder. The yard is notified by Ottawa to this effect. The checker of goods of stores department looks after all the scrap and looks after the weighing and loading of same and is entirely responsible for this scrap. There is no check on this man whatsoever as to weight or material given out as scrap. This should all be checked up by an assistant.

TIMEKEEPING.

The men's time is kept by a timekeeper and his assistant. The men punch time clocks of the card type, a man takes a card out of a box hung on wall, inserts the card in the clock and returns the card to another box on the opposite side of the clock. Each clock is looked after by a different man who gets 20 cents per day extra for this work, and who sees that the boxes are locked and unlocked at the proper time. Each clock box is unlocked about fifteen minutes before starting time and is supposed to be locked sharp at 7 a.m. and 1 p.m., and the clocks are not supposed to be opened again till 9.30 a.m. and 3 p.m., when any man coming in late is allowed to punch and loses a quarter day. That this rule is not carried out is shown by looking over the time cards which show many men punching at different times, some punching as late as 7.50 a.m. without being docked, getting a full day's pay. The punch keeper of each clock submits a report, scribbled on any old piece of paper, every morning and afternoon to the timekeeper, of the name of the men with their clock number, who are absent. The punch keeper gets this record by simply looking over the cards that are remaining in the incoming box. The timekeeper looks over these reports and marks the men's time in the time book according to these reports and never check's the men's time from the clock cards. The record of men's time shown on cards is simply ignored, so that at present the time clocks are absolutely useless and may just as well be out of use altogether. The timekeeping system throughout is very lax. The time cards are only returned to the timekeeper once a fortnight, but the men's time is all made up before the time cards arrive. The keys for time clocks are supposed to be returned to a board for that purpose in timekeeper's office at 7 a.m. and 1 p.m. every day and also before leaving at night. The keys we find are not returned regularly to this board and nobody appears to keep any check on them. We observed this for several days, and hardly ever found a key hung on the board. We have left the office at 7 p.m. and there was not a single key in the place, the men evidently carrying them home in their pockets. The clocks are apparently never looked after properly, as we found cards that the figures were so indistinct on that it would require a magnifying glass to make them out. They have a man in the blacksmith shop who is supposed to go around each day and examine the time clocks and see that they are all in order and are punching properly. He gets half day extra per week for this work, and is supposed to do it after hours. How well he attends to his work and how observant the timekeeper must be is shown by the fact that for twelve days one clock punched the same time in and out both morning and evening, which would indicate that the clock was stopped or the punch figures had got stuck; this went on for twelve days before discovered. This would indicate an utter lack of proper supervision over the time clocks and time keeping generally. Each clock has two hundred numbers on them and are located and looked after as shown by list marked Appendix "E." The clocks have too many numbers on them as it takes the men fully five minutes to all punch the clock, and on account of this the whistle blows at 11.45 a.m. so as to allow the men the full hour for dinner. The clocks are fairly well distributed considering the number of men on each clock, but some of the men have to walk quite a

distance to punch the clock, which naturally causes them to knock off work and be near the clock in time to punch it if they are not closely watched, which is the case here. Where the men working outside have to go inside to punch a clock the shop door is locked and is not opened before the whistle blows, but the crowd is all lined up outside waiting to get in to punch five minutes before the whistle blows; to do this they all knock off work about fifteen minutes before quitting time, and it takes them at least that time to get started to work, thus each man in the whole yard loses on an average of an hour each day which you can readily see is a big item of expense. The average pay of the men in the yard is about $1.75 per day, and taking on an average 800 men working each day it means a loss of $140 per day, or a loss of about $41,300 per year to the government. Besides this lost time there is a great deal of time lost by the men loafing around, which we will not attempt to estimate although we consider that the total time lost each year in the yard would not be covered by double the above amount.

The office staff do not punch the time clock, but sign a book once a day when they come in the morning. These books are supposed to be sent to the Director's office each day and signed by him. Some of the men come in late almost every morning, but apparently no attention or action is taken.

The present system of time keeping we consider could be improved on in many ways. When the clocks are locked at 7 a.m. as now, a man coming in a few minutes after 7 will loaf around till 9.30 when he is allowed to punch. While thus loafing around he is talking to the other workmen and keeping them from their work. We consider that the clocks should be locked at 7 a.m. sharp and opened again at 7.15 a.m., allowing all the men who are late to punch, these men losing one hour's time. At 7.15 a.m., after all the men have punched, the clocks should be locked and not opened again till 12 noon when the men punch out. The clocks should be locked at 1 p.m. sharp and not opened again till 6 p.m. when the men punch out at night. Each clock clerk should have a spare card on which he should make a daily punch and send same to timekeeper for his information as to how the clocks are registering. All the men's time should be taken from the time cards and not from slips sent in by clock clerk. This practice of the clerk sending a list of men absent to the time clerk should be discontinued at once, thus making the timekeeper take men's time from cards. The clocks should be inspected periodically by a qualified watchmaker as to correctness of time and regulation. There is another system of time clocks which we consider more satisfactory in every respect and is known as the "Dey" time clock. This clock will give a daily or a weekly record as desired, the daily being preferable as the timekeeper gets records each day of the men's time. This clock has all men's time punching on any one clock punched on one sheet thus doing away with a card to each man which takes considerable more time to check up. Any man coming in after hours is clearly shown by the ink on tape being of a different colour and easily distinguished. The clocks could be of 100 numbers each and distributed over a wider area, some of them could be portable to suit conditions such as working on board the boats, &c. These clocks if desired could be electrically controlled as to time from a master clock in the office building. These clocks are quicker in operation than the present system and would not require the same length of time for the men to punch once they get used to them. At present it takes on an average from four to five minutes to punch the time, while the time required for these other clocks would be about half this. The present system of clocks, although not of the best, could be used to good advantage provided every one connected with them attended to their proper duties.

The foremen in the different departments do not punch the time clock or sign a book, the foremen are supposed to notify the timekeeper if they are absent. The foremen do not lose time when absent, and there is really no check whatsoever on their time. We consider it would be a good plan to have a slip board for Director, offi-

cials, and foremen, placed close to Director's office, this board to be shifted as they come in and go out, and would show at once to Director whether all the foremen were in or not. A slate would form part of the board, and they would write on this slate where they were working so that the Director would see at a glance where every man is. The watchmen do not punch the regular clocks. The night watchman has a key clock which he punches as he goes around the yard once every hour. The day watchmen are supposed to report to the night watchman, no other check being kept on their time; the day watchmen should all punch the time clocks. They have two stablemen who are supposed to come in at 5 a.m. to feed the horses, harness them and have them ready for work at 7 a.m. These men perform the same duties at noon and at night, but there is absolutely no check kept of their time, and judging from the condition of the stables they don't spend any too much time there.

COST KEEPING.

This department is supposed to keep complete records of all new construction and repair work. The cost is divided into two heads called direct and indirect cost. The direct cost is supposed to include all material and men's time who are working on each job. The indirect cost is equivalent to an overhead charge and includes heat, power, light, rent, and the salaries of all men who are not distributed on jobs, such as watchmen, foremen, firemen, office staff, &c. The men's time is distributed by the foreman in each department, and a list sent to the cost department each day of where the men are working. This system is very indefinite. Each man should fill out a time sheet each day showing exactly how many hours he spent on each job. These would be better for the cost clerk, besides the Director could see from these occasionally how long any one man had taken in doing a certain piece of work, and be able to tell whether a man had taken too long on the job, thus checking up excessive costs and tracing them to where they belong. Each new construction is divided into different headings and a construction number is issued for the whole work, and then a job number is issued to each separate heading. These numbers are at present issued by the Assistant Director; this is really a clerk's work. They do not follow out the the same heading on each construction which is somewhat confusing, and even then things are pretty well mixed up. They could easily divide all construction under certain definite headings such as for hull construction you could have plating, caulking, rivetting and drilling; for painting work you could have hull outside, hull inside, cabinet work and joiner work; for carpenter work you could have erecting, decks, launchings, spars and deck house, &c. The outfit should be arranged alphabetically and the cost of each item kept separate, &c. If this was done for all construction work any clerk could issue all order numbers as they would simply run concurrently. This would also give a better idea to the Director of the cost of each operation and costs could be checked up much more readily than at present. All material charged against the construction is taken from the requisitions sent up by the storekeeper, and prices are always charged as shown on these requisitions, no check being made of these prices whatsoever. The indirect charge for light is divided on the basis of the number of lights in each department, for power it is divided on the basis of the motive power in each department, foremen and clerks are charged direct against their departments; for office staff, watchmen, &c., a percentage is struck, and this is added to each department. The ratio of the direct to indirect charges is excessive, but this is doubtless partly due to the high cost of construction. The indirect charges could be cut down considerably under proper management.

ACCOUNTANT'S DEPARTMENT.

This department looks after all vouchers, cheques, petty cash, &c. The accountant has no power regarding the issuing of cheques except for petty cash, all cheques being

issued from Ottawa. The timekeeper makes up the pay roll each fortnight and sends a copy to the accountant, a copy to the paymaster and the original goes to Ottawa. The accountant wires Ottawa the amount of the pay roll as soon as it is made up. Ottawa wires a credit for this amount in favour of the accountant on the bank at Sorel. The accountant in turn makes out a cheque in favour of the paymaster covering this amount and the accountant checks up the paymaster to see that this whole amount has been paid in wages. All invoices are sent to the accountant for his approval regarding prices and extensions being correct, and he forwards them through the Director to Ottawa. Ottawa issues a cheque covering this invoice and notifies the accountant by means of a voucher when the bill was paid and the number of the cheque. The accountant in turn notifies the storekeeper for his records. The accountant carries a petty cash account to the extent of about $1,000, which is deposited in the bank jointly with the Director. This petty cash account is used for the purposes of small purchases which are required at once, a covering order being sent to Ottawa which in turn issues a cheque in favour of Accountant and Director to reimburse them for the amount spent on purchase. The petty cash account is also used for the paying off of any men who leave or are discharged before pay day, the Director and accountant issuing a joint cheque covering the man's pay. This is then included in the pay roll and the paymaster reimburses the petty cash account for this amount on pay day. This department submits a monthly report to Ottawa of all vouchers and petty cash account. There is more or less duplication of work on account of the present system of paying all accounts from Ottawa.

PAYMASTER.

This department pays all the men in the yard and on the fleet during summer and winter. The yard is paid fortnightly and is all paid by cheque. The fleet is paid once a month and paid in cash. The paymaster goes around the yard and pays the men in each department during working hours. The pay roll for the yard is made up by the yard timekeeper and is forwarded to the paymaster who checks it over for extensions being correct. The accountant issues a cheque in favour of the paymaster for the amount of the pay roll, he in turn issuing individual cheques in favour of each man on the pay roll. These cheques have to balance with the amount of pay roll and cheque issued by accountant. In case of over-pay it is carried over to the next pay and deducted from the man's time. In case of under-pay it is sometimes paid out of the petty cash account by the Director and accountant, the paymaster reimbursing them on next pay day, or it is sometimes carried over to next pay as before. This under-pay or over-pay can only occur through a mistake in the pay roll through a man being allowed too much time or not enough time. The paymaster asserts that this occurs very seldom, which we can quite understand from the very loose way of time keeping, as good care is taken to allow a man his full time whenever there is any room for doubt, his time never being checked from the time cards. The men in yard do not sign the pay roll, the paymaster receiving from the bank all the cheques endorsed by the men and uses this as a receipt. In case a man can't write the cheque is signed by a witness with the man's mark. The paymaster goes out once a month on the fleet paying all the men on fleet from Montreal to Crane Island; this practically takes about three days of his time. The pay roll for the fleet is made up by the Marine Department, which has an office at Sorel. The fleet is all paid in cash and each man signs for his money in the presence of the paymaster and the captain of the boat or dredge. In the case where a man cannot write the pay roll is signed by the paymaster and the captain signs as witness. The paymaster's time is all charged against the yard while we consider that a certain fraction of his time should be charged against the fleet. The present method of paying in the yard is bad on account of the time the men lose waiting around for the paymaster and also the disruption it causes to a department

during the time the men are being paid. At present it takes the paymaster one-half day to pay all the men, which practically means that the men will lose on an average of half hour each on pay day. We consider that with two or three men paying as the men leave the yard at noon or night this could be all accomplished in at most fifteen minutes. The men could all be paid from the watchmen's house at the main entrance.

DRAWING OFFICE.

As now constituted, one man who styles himself Chief Draughtsman, has five or six men under him; this man designs new buildings, foundations for machines, &c. Another man is in charge of the hull department with one or two assistants, and another man is in charge of the engineering department, but none of them are properly constituted chiefs, having or taking no responsibility for their respective departments. There are altogether 12 men in the drawing office; they have no proper organized method of working or keeping records of work done.

In our opinion Mr. Bridges is well qualified to take control of the hull department with two or three men to assist him. A new man could be obtained to take charge of the engineering department with two or three assistants, and all the work right through the different shops, and he would also look after any building designs required, thus doing away with the present chief draughtsman and his staff. These two men to keep proper books of particulars showing dimensions of ships, sizes of engines, boilers and auxiliaries, weights of material, displacements, speed, horse-power of machinery, trial trip and stability, and all necessary details. These books to be set going at once and all back data of work collected and entered forthwith.

These two men must be able to take out weights of material, design hulls, engines and boilers, work out horse-power and estimate costs of all kinds of new construction, and be subservient to the Director alone who in turn would deal direct with the naval constructor in Ottawa. Seven good men all told, including blue print man, is an ample staff to handle the amount of work they have been doing in past years.

When called upon by the Director these men would make up detailed estimates of cost of any new construction proposed and make out designs and sketches for submitting to the naval constructor at Ottawa in competition with private yards. In the event of the decision being that the vessel was to be built at Sorel, then these men would see that they got returns of the cost from time to time during the progress of construction, and as the outfit was purchased would be able to keep the Director informed if the actual cost was keeping within the estimated limits; if not to investigate the reason why. The naval constructor would visit the yard at intervals and satisfy himself that things were going right as to management, cost and time taken to build, and be able to give personal advice where he thought necessary.

The drawing office is a miserable place and not fit for men to work in, being badly ventilated and low in the ceiling.

The design of drawing boards is not good, being far too small for ship yard work, and of too costly construction.

A vault ought to be introduced for keeping all valuable drawings, papers, books of particulars, &c., the key of this vault to be kept by the chief draughtsman and opened and locked by him personally morning and night. In the event of a fire occurring in the office at the present time simply means that every scrap of information they have would be lost which would cripple the place for years. This is very serious and ought to be looked into at once.

The space is hampered for stowing plans; we discovered a host of drawings in a wood box stowed away in the power house, the reason given being that they had no other place to stow them for fire protection.

MOULDING LOFT.

There are at present two moulding lofts, one should be discarded and the authority to run the loft taken out of the hands of the foreman carpenter who is not qualified at all for this work. The present loftsman is all right, and must be directly under the charge of the hull draughtsman. Many improvements could be introduced into loft work. The present system of having about 12 men making templates for every frame in the boat is bad, in fact they make far too many templates; the work would be better done and cheaper if in many cases the plater went to the boat and made his own template. The wood used is too good and heavy, and is put together principally with screw nails (tacks are quite sufficient) and each man has a nice stool he carries about with him and sits while working; this is an unnecessary luxury. Instead of working battens on the floor with small 1½-inch nails, they ought to have spikes with round heads; it makes the work far easier on the men, as they don't require to be on their knees all the time, and the work would be done much quicker. A great amount of time and money saving inventions could be introduced into this department. The drawing office and mould loft are the backbone of a ship yard and these places want to be thoroughly re-organized and put on good sound working lines. They should be placed as close together as possible, as the mould loft man must consult very frequently with the chief draughtsman as to spacing of rivets, methods of doing work, explaining drawings, &c. At present spacing of rivets in new construction is altogether wrong, in many cases twice as many rivets being put in as are necessary, in other cases too few rivets are used consistent with strength. Lloyds, British Corporation and Great Lakes Rules for shipbuilding, a copy of each together with their rivetting tables ought to be kept in the drawing office and mould loft, and the tables displayed in conspicuous places and available to every one. A good Chief Draughtsman and a good Loftsman are a "sine qua non" to a well-organized ship yard.

This will materially help the progress of the yard as a shipbuilding centre and make them capable of competing with private yards, as there is no reason why vessels should not be built as cheaply at Sorel as anywhere.

MACHINE SHOP.

The machine shop is at present under Mr. U. J. Bilodeau, who is classed as foreman. He has been in charge of the shop since August, 1910. The machine work is very good and the management is as good as could be expected under present conditions. This is undoubtedly the best managed department of the whole yard. The equipment of shop is very good though somewhat crowded. The machines are all in very good shape with the exception of one or two old machines which should be discarded and new ones purchased. The machines are nearly all running too slow and should be speeded up and high speed steel used for all tools; there is very little of this in use in yard at present time. The staff of the machine shop at present consists of one foreman at $166.66 per month, 45 machinists at $1.70 to $3 per day of ten hours, 31 machinists' helpers at $1.35 to $2; 15 apprentices at 50 cents to $1.05, and ten labourers at $1.35 to $1.70, making a total of 107 men in the machine shop. The machinists and machinists' helpers do all the important machine work, the apprentices are supposed to be learning their trade and act as assistants to machinists; the labourers are used for all heavy lifting work, moving castings, &c. We consider that these labourers should be done away with altogether, and when any labourers are required for heavy work the foreman could obtain them from the yard foreman. The machine shop is reduced to about 95 men during the summer months, men being taken on from the fleet for winter repair work. The machine shop is well up with its work, having all the repairs to fleet practically completed, and the new construction work well under

way. All parts made for new construction when completed are stored in a shed provided for this purpose; the shed should be equipped with a small derrick for lifting heavy pieces of machinery to and from the industrial railway thus saving a great deal of time in handling. The machine shop is somewhat cramped, there being very little space in the shop itself for storing even small pieces while waiting to be assembled. The fact of machinery having to be taken from shop and stored in a shed makes the cost of these machines higher on account of the double handling. The work could be better timed so that when a piece of machinery is completed it should be put right on the vessel. The shed where the machinery is stored instead of being some place near construction work is located further away from this work than the machine shop itself. All work is done on job numbers. On the completion of any work the foreman informally notifies the Assistant Director who gives orders to have the machine stored in shed or placed on boat as circumstances demand. On repair work, the foreman when repairing any part of an engine, steering gear, &c., completes the work and notifies the Assistant Director as before. All repair work to each boat is done on one job number, so that there is no means of checking up what the repairs to any particular part of machinery or hull costs; this should be subdivided.

The machine shop is practically divided into two parts, one part where all heavy work is machined and a second part where small parts are machined and most of the repair work is done. All engines, winches, &c., are assembled in this second part and go from here to the shed or the vessel.

The two parts of the machine shop are almost as badly separated as if they were in two separate buildings as is shown on the plan marked Appendix "F."*—Large castings are machined in shop marked "A" on above mentioned plan; to get these large castings into the assembling shop it is necessary to take the casting out the large door at end of shop "A" and go around through the yard to the farther end of shop marked "B." This work is all done by labourers attached to the shop.

The machines are driven by one motor belted to line shafting running the full length of each shop. The more modern practice is to run all large machines by individual motors, group all small machines together, and run such group with an individual motor. The heavy castings in central body of shop marked "A," where all the heavy tools are, are handled by a small travelling crane having 5-ton chain blocks attached to same. This crane is operated by hand for all lifting and transverse motion. The longitudinal movement of the crane is accomplished by a belt from the line shafting operating a small drum, a wire rope being attached to the crane and passing over a pulley fastened at each end of machine shop. The operation is slow and when any heavy castings are being moved along the speed of the line shafting is slackened, thus slowing down all the machines on this shafting. This arrangement is obsolete and could easily be improved upon. The appearance of the shop, though somewhat better than the others, is far from clean and tidy. The shop has on its list a sweeper, but it is quite evident from the appearance of the shop he does not attend to his work. Each shop both "A" and "B" has a separate tool room; these rooms should be combined and put in charge of one man. No proper record is kept of tools, no record being taken when a tool is given out or returned to tool room. A record should be kept so that the foreman should be able to tell at a glance where every tool in the shop is. The tool room in shop marked "B" was wide open when we visited the shop on Sunday, and there was not a watchman in sight. In the tool room in shop "B" a man is kept to look after the tools, sharpen them and keep them in repair. All the tools should be put under this man's care in one room, and he should be responsible for them in every way. All machines in the bays of shop "A" and out of the reach of the travelling crane have large chains suspended from the beams above for the purpose of using chain blocks on heavy work; these chain blocks have to

* Not printed.

shifted from one place to the other as occasion requires. We consider it would be advisable to install about two small wall cranes for handling this heavy work. The list of machines and condition of same are shown in pages 83 to 88. A large new chuck lathe was recently bought and was installed on a wooden foundation; this lathe when run at a high speed vibrates too much to do good work; this machine should be installed on a solid concrete foundation. They have a number of tail shafts for tugs, &c., which are about 25 feet long, while the longest lathe will only handle 20 feet. We consider it would be advisable to exchange this lathe for one capable of taking the longest shaft they require. The employee running the milling machine had made up a number of small milling machine tools, but they are of very little use on account of not having been hardened properly. We consider that this is a waste of time to make these tools as they could be bought much cheaper from the manufacturers. The foreman of the machine shop looks after the three boilers located in the building between the two shops. They have two men firing on these boilers, while we consider one should be sufficient. There are no records kept as to when machines were bought, price paid for machines, or the size of machines; these should be all kept on a proper card index system.

If the yard is to be run as a repair yard only the machine shop is well enough equipped, and we would not recommend any changes in the shop. If the yard is to be run as a construction yard as well as a repair yard we would recommend that the travelling crane be electrified and the crane extended so as to embrace both shops. This would necessitate the cutting of an archway in building between two shops, the removal of one floor in this building and the removal of the pattern shop floor over the assembling shop or shop "B." The engines and generators in the building between the two shops could be removed to the present power house for breakdown service, the old Corliss engine could be disposed of and the boilers could be all put into one firehold instead of two as at present. The pattern shop would have to be removed, but space could be easily found for this, such as the old mould loft. The space between the two buildings could be used to good advantage as a tool room and an office for the foreman where he could see the whole shop at once. About two small wall or post cranes should be installed over the large machines in bay of shop "A." There is an assistant foreman in this shop who also looks after the men's time; he would not need to look after the men's time if each man made out a time sheet each day.

PAINT SHOP.

This is a comparatively new building, the lower flat being used as the paint shop and the upper flat as moulding loft. The paint shop is well run under the present foreman, who seems to know his duties. We think at the same time that the number of painters employed, viz., 57, is excessive. This man complains very much about the poor quality of paint supplied to him. To overcome this we would suggest that a yearly contract be made for all kinds of paint, varnish, putty, oil, &c., that samples be called for along with the prices, the prices be kept at Ottawa and the samples classified and sent to Sorel, and the foreman without knowing the prices to make tests of each on pieces of wood; this would take a little time, because each coat must be put on and allowed to dry properly, rubbed down and the next applied; after the samples have all been tested the foreman to make up his mind which is best and notify the Director accordingly; then the contract is fixed for a year and no more trouble. Next year if prices suit testing does not require to take place.

We also notice that the men take about ten minutes before knocking off time, proceeding to the shop with their pots and brushes to have them replenished against starting. This is all a dead loss of time. A quantity of paint and accessories should be kept on the job, and the men get what they want right on the spot. A clerk is essential for this department provided he does all the weighing out of materials to the men and

keeps a proper record which the foreman should sign and return to the office. Time keeping of the men on different jobs should be kept on daily time sheets initialled by the foreman and returned to the office.

BLACKSMITH SHOP.

The blacksmith shop is a wood building one story high, about 80 ft. x 60 ft., and contains 10 forges, 2 steam hammers and 2 electric hammers, a vice or two and a weighing machine, 4 hand cranes from 1 to 3 ton, motors, blower, foreman's office, template shed, tool house, coal shed and horse shoers' shop, all as shown on plan. This shop is in charge of S. Chauteauvert, who is classified as foreman. This department is certainly the dirtiest, worst kept place of the kind it has ever been our lot to see. The place is black as night, dirty and swarming with men. Generally speaking about half the number of men employed are seated or reclining on comfortable seats and benches with backs to them, quite openly. The men are quite apathetic and take little or no notice of any one coming in. The foreman is there, and he is more to blame than any one else. In our opinion he has been too long there, and far too familiar with the men to have any control over them.

The hammers are too light, the heaviest being about 1,100 lbs., and they are not kept in good order, steam and oil escaping in all directions. The shop wants to be scrapped and a new one built (it is very old and charred and burnt) with proper light and ventilation instituted.

They do a great variety of work all of a light nature such as forgings for main engines, winches and dredging plant.

The staff of this department comprises 1 foreman, 1 boilermaker, 20 helpers, 1 labourer, 11 blacksmiths, 1 clerk—a total of 35 men. We would suggest to cut this down to 8 smiths with a helper each, 1 handy labourer to keep the tools in check and clean up the shop, and a boy for each of the hammers; dispense with the clerk, and make the foreman keep a record of forgings made with their weight, and make the men fill up time sheets stating the hours worked on each job, these records to be certified by the foreman and returned to the office daily.

SHIPYARD.

This department is supervised by a foreman named A. Gendron who has 8 assistants under him, 1 clerk, 3 messengers and 147 labourers—160 all told.

The foreman, in our opinion, is well qualified for his duties, and the way he works his men is he splits them up into gangs of from 9 to 14 with a man in charge of each lot. He moves all heavy weights, puts engines and boilers, masts, machinery, &c., on board the various boats, but what he wants 147 labourers, 8 assistants, 3 messengers and a clerk for, we cannot understand. We would recommend cutting down the assistants and men about half, cut out the messengers and clerk altogether; make the foreman do more work himself, the men to fill in day time slips which he would sign and return to the office. This department is like all others, over-stocked with men This foreman is also responsible for the number of horses (11) in the yard, it being generally his work they are employed on. We really think the number of horses could be curtailed without interfering with the carrying out of his work.

SAWMILL.

This is practically a new department having until recently been under the direction of the foreman carpenter. The sawmill is under E. Lachapelle, who is classed as foreman. The sawmill is located in a building with the joiner shop, the joiner shop occupying the upper floor. The sawmill is very well equipped, the machinery

being up to date and all in good shape. The logs all come in by water and are carried into the mill on a regular hauling-out way with endless chain. All the lumber used in the yard except for moulding loft is cut up in the mill from either square or round logs, the slabs being burned in the boilers. The shavings from all the machines are at present gathered up by the labourers and put into an exhaust fan and discharged through a wooden box into firehold No. 2. They have a system of shaving exhaust pipes over each machine, but this is discarded as the fan did not carry the shavings away properly. This is largely due to the piping not being designed properly and the fan being a little too small. This could easily be remedied and do away with the necessity of gathering up the shavings as at present. All the slabs from the mill are thrown outside in a pile, gathered up, placed on an industrial railway car and run by hand down to the firehold and there unloaded and burnt. These slabs could very easily be carried to the mill with practically no handling by a belt conveyor at small expense. The logs are sawn up by a band saw in summer time and by a circular saw in winter time, on account of the logs being frozen.

The sawmill when not working on any particular construction work cuts up lumber for stock. The stock of lumber is extensive, having lumber one, two and three years old. The mill is all run from two large motors belted to line shafting in the basement. We consider that it would be better to have individual drives as the machines are all slowed down when a large log is being cut.

The industrial railway running from the sawmill to firehold No. 2 is the only part of the yard system that is kept cleared during the winter months, and this is only used for carrying slabs to the firehold.

On one occasion we visited the mill and found only one man working on some bench work. This man when he thought we were not looking tapped on the office window, which has frosted glass and should be changed to clear glass windows, and immediately the men came trooping out like rabbits, the office was full of them including the foreman; of course they all were busy in a few moments.

The staff in the sawmill consists of 1 foreman, 1 clerk, two carpenters, 15 helpers and 7 labourers—being 26 all told. The mill could be just as well run with half this number and does not require a clerk.

JOINER SHOP.

The cabinet shop is located above the sawmill and is under the foreman carpenter. The equipment is very good, and all the machines are in very good shape. The shop is run by a belt from the sawmill. The joiner shop makes all cabin work, sashes, doors, &c., for the construction work. When the men are not working on construction work they make chairs, tables, &c., for outfit of vessels. There is a file shop in connection with this department located at the end of this shop. This file shop does all the brazing of saws, sharpening of knives, saws, &c., for sawmill and joiner shop, and is in charge of one man whom we have never seen doing anything while we were around; this man should be given some other duties and could act as clerk for joiner shop. This staff is included under the carpenters. In the event of the yard going into construction work, to fulfil the requirements of vessels such as the government are asking tenders on at present time, this shop would have to be enlarged and some new machinery installed to do the necessary joiner work, and run as a separate department with a foreman in charge.

PATTERN SHOP.

The pattern shop is located above the assembling part of the machine shop. The shop is in charge of O. Gauthier, who is classed as a foreman. All patterns required for new construction are made here and are made from drawings. All patterns for repair work are made from the broken parts or from drawings. The equipment is very

good and all in good shape. One wood turning lathe is placed very close to a post so that it is impossible to get large work on the lathe. The shavings and sawdust are all gathered up by an old man who is employed for this work; the shavings are dumped over the stairway and are then carted to the firehold. These shavings could very easily be handled by a small exhaust fan discharging into a storage bin and dumping into wagons from a chute and carted to firehold. The work turned out is very good, but like all the other shops is costing too much. The foreman seems to spend a great deal of his time going around the yard looking after his men who are out on the fleet making patterns for repair work. The pattern makers should not have to do this at all, as a draughtsman from the drawing office should be sent out and make sketches of any repair work which require new patterns.

The stock of patterns is very large and distributed over two different buildings. Three floors of the old power house, that is the building between the two machine shops, is used for patterns and also a separate building, No. 19 on plan, has four floors covered with patterns. The patterns are laying all over the floors, hanging up on nails, hanging on posts, and a very few on wooden shelves. The patterns are numbered at present according to construction and drawing numbers. There is absolutely no record kept as to when pattern was made or where it is to be found. They have one man who looks after all these patterns, and is well informed himself as to where a certain pattern is to be found, but we do not see how anybody else would ever be able to find any pattern required. He gives all patterns out and returns them to stock, keeping a sort of record as to when a pattern is sent out, to whom, and when returned, with the weight of the casting. The patterns should all be put on shelves, properly numbered, sorted out and indexed so that they could be located by anybody. The patterns too large for shelves could be arranged much better than at present. Some of the patterns are located directly over the boiler room, and it makes a rather warm place for patterns. The water pipes in this room were sweating and the water was dripping on the patterns, and will doubtless damage them, but nobody seemed to notice this. The staff consists of 1 foreman, 1 helper, 1 apprentice and 8 pattern makers, making a total of 11 men. This staff could be reduced to about 5 pattern makers and do the work satisfactorily.

ASBESTOS.

This is a small department composed of 1 foreman and 5 men, although at times there are as high as 22 men employed on the work, the majority of whom are labourers. The department is in charge of H. Legault, who is classed as a foreman. The department is located in one end of the paint shop building, occupying two small rooms about 20 ft. x 20 ft. each. One room is used as a storeroom for cement, fire clay, asbestos plaster, asbestos board, lime and pipe covering stock. This stock is all entered on the stock room books, and the foreman is supposed to make out a requisition for all material used. All this stock should be put into the general store, and be directly under the supervision of the storekeeper. This department does all the pipe covering, boiler covering and insulating work required for new construction and repair work. They also do all brick work such as making fire arches in boilers, &c.; they do all the concrete work required in the yard, and all the cementing in ships bottom. They have two mixing boxes, and one steam drying oven for drying out the pipe covering they make. All pipe covering required in the yard is made in this department, the department having pipe covering moulds for all sizes from ¾ to 5 inches; the work is all done by hand. When the men are not engaged on construction or repair work they make up pipe covering for stock. They utilize all the old material taken from boilers, steam pipes, &c., working this up again and mixing new material with the old, the working up of old material requires a great deal of time to do it properly. The material looked to be very poorly worked, large lumps of old

material being plainly visible in the mixing box. The covering itself is very poorly finished and does not in any way compare with that manufactured by any reliable concern. They have a large stock of all sizes on hand averaging from about 400 to 1,000 feet of the different sizes, and they are continually adding to this stock. This pipe covering if properly made does not require skilled labour to apply, the only part where skilled labour is required is for the covering of tees, elbows, special fittings, &c. The cost of this material is on an average 50 per cent higher than it could be bought from private concerns. All the pipe covering is made in moulds, put in the oven to dry, then clamped up in a wooden box and slit by an ordinary hand saw. The steam is apparently kept on the oven all the time, for any time we visited the department the steam was on full blast and nothing in the oven or nothing being made. We have visited the department when only one man was working there, the rest working on the fleet looking after the work there.

In our opinion this is an unnecessary department, as a very much better quality of pipe covering can be purchased as required from private concerns. The work could be put in charge of the steamfitter or could be done by contract. Should the department be put under the steamfitter it would only require about two skilled workmen to do the special work, the rest being done by labourers under the direction of the steamfitters, and the concrete and cementing work could be attended to by the yard labourers. In fact cementing of the bottoms inside could be dispensed with entirely in boats working in fresh water, and where cement is required half the quantity used would meet the case.

STEAMFITTER AND PLUMBER SHOP.

This shop is located at one end of the old boiler shop and occupies two floors. The shop is in charge of J. Langlois, who is classed as a foreman. The department does all piping, including bilge and ballast piping, plumbing and tinsmith work for the yard and the fleet. The shop is very well equipped and the machines are all in fairly good condition. The tinsmiths when not busy on construction work spend their time in making up for stock, galvanized iron pails, tea kettles, drinking cups, &c. We consider this an expensive way of obtaining these articles, as they could all be bought much cheaper outside. A list of these articles with yard prices and manufacturers' prices is shown on pages 132 and 133. The quality of the goods made in the yard is not by any means up to standard, being all hand made and are made in two or three dozen lots. Modern plants have up to date machinery for all this class of work and can make it very cheaply. There is a clerk who apparently has very little to do; he looks after the tool room, where they have a supply of pipe wrenches, pipe cutters, &c., but no records are kept of them. He also keeps track of the men's time on the different work, which is sent to the cost department each day. The place is exceedingly dirty and untidy, pipe and fittings lying all around the place and no record kept of them. The machines are all covered with oil and dirt and look as though they were never cleaned. It seems to us that the clerk could very well spend some of his spare time in keeping the machines clean and the place tidy. The upper part of the shop is almost entirely devoted to tinsmith work. There were, as usual, a number of men sitting around doing nothing when we visited the place. There were two men working, one making up a galvanized iron pipe and hood for the kitchen of one of the tugs, the other man was making a tool chest for the use of the steamfitters work on the fleet; these should all be made in the joiner shop where they have the proper equipment. This man, who is a carpenter, is attached to the steamfitters' staff for purposes of boring holes and shoring up pipes wherever needed. This is, in our opinion, entirely unnecessary as there are plenty of other carpenters around the place. There are a lot of old and out of date fire extinguishers hanging around the place. These should be re-charged and put into service or

scrapped. The equipment for the tinsmiths is very good for the work they have to do, and is all that is required. They have an old coke soldering iron furnace which is placed on the end of a wooden bench with a piece of iron under the stove. The furnace is all cracked and broken and looks as though it might fall to pieces at any minute. We consider this very dangerous on account of fire. The staff consists of 1 foreman, 1 clerk, 2 apprentices, 1 carpenter, 22 steamfitters and 1 plumber—all told 28. We consider that 15 steamfitters could handle the work just as well as at present.

AIR SYSTEM.

The compressed air is supplied by three different compressors, one located in power house, one located in machine shop and one located in boiler shop. The different compressors all pumping into a common main. The compressor in power house is a 12 x 19 x 18 Canadian Rand drill compressor running at 100 R.P.M. and delivers about 6 cubic feet of air per revolution at 100 lbs. pressure. The compressor in the machine shop is a 12 x 12 x 14 steam driven air compressor manufactured by the Fog Signal Co., of Toronto. This compressor was only running at 56 R.P.M. when we drew their attention to it and it is now running at 120 R.P.M. This compressor should deliver 2 cubic feet of air per revolution. The compressor in the boiler shop is the same as the above, that is a 12 x 12 x 14, but is electrically driven and is running at 136 R.P.M. The total amount of air delivered per minute should be approximately 1,100 cubic feet at 100 lbs. pressure. The pressure in the power house is very seldom above 80 lbs. and we have seen it as low as 48 lbs. This is not conducive to good work. The pressure should at all times be at least 100 lbs. in the power house. All large rivets have to be driven at night so that there will be sufficient pressure. The air compressors are not large enough for the number of pneumatic tools which are in use in the yard. The two small compressors should be disposed of and another up to date electrically driven air compressor should be installed. The air is piped to all construction work and has outlets well distributed over all new work. The air piping should all be gone over and tested for leaks. The number of pneumatic tools in use in yard is shown on page 84.

STEAM DISTRIBUTING SYSTEM.

The steam is supplied from two different sources in the yard. There is a battery of three return tubular boilers, having a working pressure of 120 lbs. with a steaming capacity of about 10,000 lbs. of steam per hour. There is a battery of two locomotive boilers located in firehold No. 2, having a steaming capacity of about 11,000 lbs. of steam per hour. The steam is used for dry kiln, heating, steam hammers in blacksmith shop, air compressor, &c. The principal item is heating, there being about 4,000 square feet of heating surface in the yard. The steam pipes consist of wrought iron pipes and are laid in the ground without any insulation. All condensation is trapped to sewer and is a total waste. We consider that the piping should all be properly insulated and all the water of condensation should be returned to the boilers. Should this be done we venture to say that heating expenses would be reduced at least 50 per cent. The total amount of coal used in the yard boilers for one year is, as far as could be ascertained, as there is no reliable check on this, about 1,200 tons. The cost of coal is $4.10 per ton, delivered on the yard wharf.

WATER AND FIRE PROTECTION SYSTEMS.

All the water used in the yard is taken from the Richelieu river at the upper end of the yard, above the sewerage disposal of the yard and Sorel. The water is pumped

from river and distributed around the yard by two centrifugal double stage electrically driven pumps. Only one pump is used at a time, and is all that is necessary for the daily needs of the yard; each pump has a capacity of 500 G.P.M. The water is used for boilers, toilets and wash basins in office; the shops have no accommodation for men to wash up.

The fire protection is fairly good, having besides the above mentioned pumps one steam driven Fire Underwriters' Pump of 500 G.P.M. capacity, located in the building between the two machine shops. The majority of the buildings are equipped with stand pipes and 50 feet of hose on brackets. They have thirteen 4-in. fire hydrants distributed throughout the yard. The yard has two hand fire reels, each having 200 feet of rubber lined hose. There is no regular fire brigade organization, the head steamfitter and his men are supposed to look after all fires. A regular fire brigade with occasional fire drills should be organized; the alarm in case of fire, consisting of the blowing of the yard whistle. We consider that the yard has been very fortunate in the small number of fires which have taken place on account of the amount of smoking going on in the yard. The village of Sorel has one fire engine and two fire reels which can be called on in case of fire. A number of up to date fire extinguishers should be installed in easy accessible places in all buildings. The system should be periodically inspected by a competent man.

OLD BOILER SHOP, No. 1.

1 shears 51-in. gap, 30 strokes per minute—good machine.

1 vertical punch, 48-in. gaps, 31 strokes per minute—good machine.

1 vertical punch and shear, 27-in. gap, 16 strokes per minute—poor machine.

1 wall counter-sinking machine—good machine.

1 set rolls outside the shop 10 ft. 0 in. x 10 in. old, hand-screwed gear, not good, too old and slow.

2 time-keeping clocks in this shop. The doors of this shop are locked 10 minutes before the whistle blows for stopping and every available approach is packed with men waiting to make a rush when the doors are opened to get in to punch their card. The men are all knocked off in the mould loft above and standing on the stairs. It does not seem to us that the men work any at all after it comes within 15 minutes of knocking off time, and how they make a start after the whistle blows for commencing work, we do not know, as we were afraid to poke in too much for fear of upsetting the men and causing friction.

The shop is kept in a very dirty, untidy state, very much in need of whitewash. On a visit March 21, 11.30 a.m., counted 20 men sitting and lounging around. This is one of the worst places in the yard for loafing.

The handling of plates at the punches and mode of procedure in this shop is the same as No. 2—two to three times as many men as are necessary.

In making these statements due allowance is made for routine. We know that every man cannot be always with his back bent, and there are times that the men have to hang on, but we know all about that sort of thing and are making due allowances.

Punches here are all centred same as other shop which is not required for ordinary work.

These boiler shops will never be any better until piece work is introduced. It is an utter impossibility to run a shipyard any other way than by piece and keeping a daily tally of the amount of work the men do.

Furnaces.

Plate furnace 20 ft. 0 in., mouth 5 ft. 6 in. x 2 ft. 2 in, 1 fire.

Angle furnace 40 ft. 0 in., mouth 2 ft. 6 in., x 1 ft. 3 in., 2 fires.

Both are good furnaces and heated by coal fires.

Bending blocks 50 ft. 0 in. x 30 ft. 0 in., in good order.

Jobbing blocks 10 ft. 0 in. x 7 ft. 0 in., in good order.

1 hand jib crane for handling plates at jobbing blocks—not much account—obsolete.

1 cold saw—too much of a toy—too small and neat for rough shipyard work, especially to be sitting outside.

There are no means of handling plates hot or cold, seems to be all hand labour, which is a serious matter in furnace work.

They might at least have a winch at the opposite end of the blocks to pull out and in plates and angles from the furnaces.

This place is kept in a very dirty state.

Have counted repeatedly from 6 to 12 men seated and standing around a fire at the back of the furnaces, which is placed there for the purpose of keeping the loafers warm; seats are everywhere in evidence.

Away at the back of the furnaces it is very dark and dirty. Over the furnaces is a space for stowing old templates. These are nicely fixed up in various ways to screen men loafing. This place is also very dark and in want of whitewashing.

An electric light is kept burning all day Sunday at the back of the boilers.

We are told angle iron smiths cannot be got in Sorel; that is a very great pity and the statement is very open to doubt. These men can be got well enough if they are asked for.

All flanging of plates is done at these furnaces—no appliances. (See note on rolls in No. 2 boiler shop). This note would apply to the 10 ft. rolls nicely.

Air Tool Repairing Shop.

This is entered from No. 2 boiler shop and the entrance is kept locked and the place seems to be well managed.

3 vice boards.

1 double emery wheel.

1 small lathe.

1 shaper.

1 screwing machine.

We have generally noticed 4 or 5 men and 1 boy in this shop and have never seen any loafing going on, probably because it is all screened in with open wire and the men can see any one coming.

NEW BOILER SHOP, No. 2.

This is a comparatively new erection and very good. The roof is composed of iron trestle work carried on upright iron beam, forming girders for carrying the three travelling cranes. This is a first-class shop in every way, plenty of headroom, light and ventilation, but like all the other buildings in the yard, is kept in a very dirty and untidy state. Men have to pick their way over heaps of iron cuttings, angles, &c., and run very grave risks of breaking their legs; in such a case we presume the Government would be responsible.

Planing machine, open ended, with travelling cutter and 4 screw jacks for keeping job in place—good machine and in good order—motor driven.

Rolls—12 ft. long, top roll 22 in. dia.—very good and in good working condition. We consider it a huge mistake to buy a set of rolls of this value less than 28 to 30 feet long. The top roll ought to have a slot cut in it for flanging plates. This would save a mint of money as plates could be flanged in thousands of cases instead of fitting angles on the edges and would save tons of material in the construction—meantime if they want to flange a plate it has to be done in the furnace and flanged by hand.

The rolls are very badly placed for general work; they are only useful for boiler-making, and are motor driven.

Rolls alongside the large ones 2 ft. 10 in. long worked with a ratchet—these are only toys and of very little use.

Motor and air pump placed near the rolls—a very good pump and seems to work well, but very much too small.

Overhead crane over the boiler under construction, lifts 30 tons with hand power for lifting and travelling. This is a good tool, but not nearly heavy enough for handling boilers; ought to be an electric crane capable of lifting a boiler shell for rivetting purposes; as it is the boilers have to be rolled about for rivetting, and when the time comes to remove the boiler to the ship half the shop is stopped; it takes three to four days to remove a boiler and place it alongside the ship.

The boiler makers appliances are very poor. All flanging done is by hand. The boiler heads are bought flanged ready for fitting which is good and saves a lot of money and time.

The rivetting appliance is not anything like adequate. The rivets are put in under air pressure and has to be done at night because the pressure is not sufficient when other tools are working. The pressure during the day varies from 45 to 70; at night time, when all other air tools are stopped, 100 is available. Night work like this increases the cost about 100 per cent. Hydraulic rivetting should be introduced; it makes by far the best boiler rivetting. This would mean a new set of pumps and an accumulator.

A small air lift is attached to the 20-ton crane; lifts about 3 tons which is very useful.

Hydraulic coping machine—is a very poor tool, slow in action, and will not cope a channel smaller than about 8 inches; even then it does not cut clean into the root of the bar, and is therefore of very little use. Hydraulic cutting machine for channels, H. beams, &c., is good, but very slow for heavy work. To cut a channel bar 12 x 4 x 4 x $\frac{5}{8}$ takes $1\frac{1}{4}$ minutes to go through; it however makes a good clean burst cut, and would be very useful if placed in a better position.

The hydraulic pumps have no accumulator and are only used for the two above machines and are said to be 1,800 lbs. pressure. Three vertical punching machines each with 48-in. gaps (all good)—one runs at the rate of 24 holes per minute, another 34, and another 36, but the men in punching set off and on at every hole and only punch holes at the rate of about 16 to 18 holes per minute. All the class of work done which came under our notice should have been punched at full running with no setting off and on; and the number of men handling the plates is very excessive, 10 and 11 men being at the work when 4 is quite sufficient.

One shearing machine with 48-inch gap and 29 strokes per minute. This is also a good machine and the note as to number of men applies here also.

One horizontal punch which is broken down and has been standing idle for three months waiting on repair parts coming for it.

One double angle cutter—a very good machine only the cutters are too high above the ground and the men have no means of handling the bars properly. Under observation it cut angle bars 5 x 5 x $\frac{3}{4}$, and made a very good clean square cut.

One smaller vertical punch—runs at the rate of 20 holes per minute—this is an old machine patched and not of much account except for light work.

Three radial drills—all very good and in good order—one vertical drill for jobbing—this machine is old but all right.

Two overhead travelling cranes, each capable of lifting 5 tons, both having hand power for lifting and travelling—these are good tools and very useful—they are worked by a man instead of a boy. (Boys are very scarce all over the yard). Men are employed to do boys' work in innumerable instances.

Two wall countersinking machines—both good and in good order.

Narrow gauge railways run half way through the shop, but were never used during our visit to the yard.

The whole shop is very untidy and badly kept and considering the excessive number of men lounging and sitting about, this is unpardonable.

The system of marking off plates for cutting up is most elaborate. The plates are all lined off from templates the shape of the part to be cut off. Round holes and even the marking of the plates in figures are all close centre punch marked which takes a long time to do and is useless and the gang of 8 and 10 men stand around waiting till it is done, to the entire satisfaction of the operator. One plate under observation, about 14 ft. long x 36 in. x 9/16 was all marked as above; then the men gather around the plate and move it by slow degrees on to the roller bogies for taking the weight of the plate. While punching there were 9 men round this plate; 4 were quite sufficient; then the punching goes on, setting off and on at every hole. The proper way would be to punch the plate at full running power with no setting off and on. All the punches are centred, which is useless except for very exact work on boilers. This centre dabbing all takes time and is never resorted to in modern ship building practice. All this waste is due to want of knowledge and proper supervision.

Seating accommodation for the men and fires to keep them warm are plainly visible and padded stools for the punchers; things unheard of in well regulated boiler shops.

There seems to be an unusually large number of old frail men—looks as if they were pensioners.

Various new modernized tools could be introduced into these shops which would reduce cost of work, such as manhole punching and frame joggling machine, hydraulic ram for frame setting, sidelight cutting machines, small hydraulic bears for odd work, and many small ideas introduced if only the man was there to introduce them, all going towards reducing the cost of production.

ELECTRICAL DEPARTMENT.

The electrical department is spread out over four different floors at different levels. On same level or floor of machine shop there is a small room about 15 feet square with an entrance into machine shop. They do all the motor repair work and use this door for taking motors in and out. No attempt is made to keep things neat and tidy and so one could lay hands on anything desired. Half way between the machine shop level and the pattern shop, which is above machine shop, is another small room which is used by a man styling himself assistant foreman. He has a small office here and keeps a few small stores, looks after the men's time, goes out around the fleet to see how work on fleet is going and personally looks after the repairing of the voltmeters and ammeters belonging to fleet, and in fact seems to run the department in general. He also allots the men to the different jobs so we cannot see that there is very much left for Mr. Cote to do although he is the head electrician. He seems to occupy the position of a consulting engineer, but in our opinion could be more useful elsewhere. On the same level as the pattern shop is a general repair shop where they do nearly all the small repairs to arc lamps, clusters, headlights, &c. They have an average of 75 to 80 arc lamps belonging to the fleet to overhaul during the winter months. They also have what is termed a telephone exchange on this floor for the inter-communicating system which is in use throughout the yard. This exchange is necessary on account of having twenty phones in use in yard and the plug boxes in the different departments are only capable of reaching sometimes 10 and sometimes 15 phones, so that to get other departments they have to ring up this exchange and ask for connection to party desired. It would be advisable to do away with this system and install more lines and make all the plug boxes capable of hand-

ling twenty phones. They have another small store and tool room here which are looked after by the man who attends to the telephone exchange; he does other odd jobs besides and is really necessary under present conditions; but we consider that these two store rooms should be combined and he could look after the men's time as there are only about 15 men in the department. The telephone exchange, if present system is kept, should be moved into this store room. The assistant foreman should not have any of this work to do and his office halfway between floors should be abolished as he can't see what men in shop are doing from his office. On a level above this is another floor used as a sort of storage room for arc lamps, searchlights, &c. There is also a room designated as a test room all partitioned off from the other room, but the testing equipment is very meagre. The only standard instrument they have is a Wheatstone bridge of 50,000 ohms capacity. It seems to us that this room is entirely uncalled for. Mr. Cote has a nice comfortable place here besides having an office in the general offices. He indulges in the pleasure of smoking here which is not a very good example to the men. The place throughout has no attempt at tidiness, and wire and things are lying around all over the place. They keep very little stock, getting it all from general stores when required. The work done by the department consists of installing arc lights, motors, wiring, dynamos, &c., in the yard, on new construction and on the fleet, keeping all electrical apparatus, wires, lights, &c., in repair in yard, and doing all electrical repair work on fleet in winter time. The yard has 16 D.C. motors 110 volts, 5 A.C. motors 440 volts, and 5 A.C. motors 220 volts. This gives them three separate motor circuits which, in our opinion, is a mistake. A.C. motors should be used wherever voliable speed is not desired and they should all be of same voltage. They have one man who spends all his time looking after the motors, which we consider is not necessary in such a small installation of large motors. They keep two men on the fleet during the winter time who are supposed to do all temporary wiring for repairs and new construction work; we doubt whether one man could put in all his time on this work. There are only about 150 temporary incandescent lights on the fleet at present. The men have little electric stoves and heaters made up for their own convenience, such as making tea, &c. Mr. Cote stated that he could run the place just as well with 5 good men, and we agree with him, but would not state that any of the men he had at present were no good. The electric current is paid for on peak load and at present at peak of 550 H.P. per month at the rate of $36.50 per H.P. year. The highest peak load they ever had was 625 H.P. but only for 2½ hours when they were sawing some frozen logs in the mill. The power is supplied by the Sorel Electric Co. who have a recording watt meter in the yard power house. They are supposed to take the records away each day. The meter is not accessible to the yard but they can check same from instruments on switchboard. The meter has not been running since we came to yard. The electric company had it away repairing same and have never started it up again and nobody seems to care, in fact the chief electrician didn't know it was not in use until we asked him why. They have a number of A.C. motors, but have no A.C. portable instruments.

They make small switchboards required for the fleet and claim that they make them cheaper than they can buy them. The men work on repair work in winter time and new construction in summer. Any machine work they require they have to go to machine shop for. We think it would be a good thing for the electrical department to have a small lathe of its own for turning commutators on, &c. At present they have a number of small electric drills fastened to the bench and use these for small work. Mr. Cote claims, as he can't specify the kind of goods, he sometimes gets goods that are not suitable for work. The electric wires are all run overhead on poles and on the ceilings of the different buildings, fastened with porcelain cleats, no conduit being used. We consider it would be better to run all these wires in iron conduit. The staff of this department: 1 foreman, 12 electricians, 1 labourer

—making a total of 14 men. This could be run as well with 6 or 7 electricians. A list of motors with their sizes and locations is given on page 88. A list of transformers with their size is given on page 88. See Appendix 'G' for form of contract.

POWER HOUSE.

The power house is under the chief electrician and has two men employed in it. One man attends to the switchboard, starting of motors for sawmill and the starting of motors for centrifugal pumps for house and fire service. The other man looks after the air compressor. We consider that this could all be attended to by one man. The equipment in power house consists of one 12 x 19 x 18 Canadian Rand drill compressor, Class d.2 running to 95 R.P.M. The air supply is altogether too small for the number of tools in use, the air pressure in power house being only 70 lbs. and sometimes 60 lbs., when for good work, especially on rivetting, it should be at least 100 or 110 lbs. The current is supplied to the board at 2,200 volts, 30 cycle, 2 phase A.C. current. They have a motor generator set for converting current to D.C. The generator set consists of a 300 H.P., A.C. 30 cycle, 2 phase H.P., 2,200 volt A.C. motor direct connected to a 200 K.W. 125 volt, 1,600 ampere D.C. generator. They cannot tell from switchboard the amount of current used in each department, and so divide cost of power as per motors in each department, which is only approximate at the best. The reading of instruments on the board D.C. current.

The centrifugal pump for house service is started from power house. These motors are 440 volts and 110 volt A.C., 220 volts A.C., and 110 volt D.C. light circuits. This is a great mistake; they should all be the same.

The motors in sawmill are 100 H.P. and 150 H.P., A.C. motors 440 volts. These motors are started from the power house. The man in the sawmill presses a button when he wants motors started or stopped. This button rings annunciator bell, the power house annunciator indicating which motor to start. This seems a very bad practice as we consider it dangerous, for if anything goes wrong in sawmill they have to run and press the button and the man in power house has to drop whatever he is at and run and shut off the motor, by which time considerable damage could be done in mill. There is also the possibility of the man in power house starting the wrong motor with serious consequences. The current on the two phase is not well distributed as one leg showed 72 amperes and the other 88 amperes which shows poor distribution. The power house is about the cleanest place around the whole establishment, and is very well kept, except for a few loose pieces of wire and things behind switchboard. The attendant seems to know his work very well as far as running the switchboard is concerned. They have a 125 H.P. 110 volt 950 ampere D.C. motor running the air compressor. This should be an A.C. motor, as it would save the cost of about 25 H.P. in the motor generator set. The distributing wires are all run exposed and held in place with cleats. These should all be run in conduit.

STABLES.

The stables are in a building by themselves and have accommodation for eleven horses, and the house is full. They have eleven horses hauling coal, material, &c., 75 per cent of which could be handled on the industrial railway which we think could be kept clear without any trouble by the eleven men required to drive the horses. The stables and horses are looked after by two men who are supposed to come in at 5 a.m. in the morning and look after the horses and harness them and have them ready for 7 a.m. and feed them at noon and fix them at night. There is no check kept on the men's time. The stables are very dirty as usual, and very poorly kept. The stable evidently is one of the favourite loafing places. The men congregate here and have a

smoke which is dangerous around a place like this. There were three teams of horses lined up outside when we visited the place, and the drivers were inside enjoying themselves.

The whole place smells very badly just now; what it will be in the summer time we can surmise—at any rate it is bad for the health of the horses and the men attending to them. The hot water hose and white wash brushes are very badly needed, and the men in charge warned to keep loafers out—notice boards to this effect might do good service.

EMPLOYEES.—SOREL SHIPYARD AS AT MARCH 16-31, 1912.

	Asbestos.	Blacksmiths.	Boiler Shop.	Drawing Office	Mould Loft.	Electric Dept.	Machine Shop.	Paint Shop.	Pattern Shop.	Steam Fitter Shop.	Yard.	Carpenter and Cabinet Shop.	Sawmill.
Foremen	1	1	1	1	1	1	1	1	1	1	1	1	1
Under foremen			9								8	1	
Carpenters					12					1		91	2
Firemen							4						
Watchmen													
Machinists							45						
Clerks		1					1			1	1		1
Boiler makers		1	90										
Helpers	2	20	98				31		1				15
Apprentices							15		1	2			
Electricians						12							
Labourers	19	1	62			1	10				147		7
Messengers											3		
Painters								57					
Heaters			38										
Pattern makers									8				
Blacksmiths		11											
Caulkers												19	
Steam fitters										22			
Draughtsmen				10									
Plumber										1			
Total	22	35	298	11	13	14	107	58	11	25	160	112	26

General staff	Director, etc	4
Office staff	Assistant accountant, assistant director, etc	6
Stores	Store keeper, etc	12
Cost department	Chief clerk, etc	6
General	Watchmen, stables, etc	14
Total		937

LIST OF MACHINES IN ENGINE HOUSE.

Name.	Size.	Condition.	Remarks.
Engine	Corliss 10 in. x 24 in. 20 H.P.	Good	Not being used. (Should be disposed of.)
Fire pumps	500 gals. per min	"	
Ideal engine	12 x 10 280, R.P.M.	"	
Dynamo	125 volts, 400 amps.	Fair.	
Robb Armstrong, engine and dynamo.	120 " 350 "	Good.	
Switchboard		Fair.	
1 steam driven air compresser	12 in. x 14 in. x 12 in	Good	Too small.
Boilers (3 off)	Return tube	Fair	About 20 years old; requires overhauling.
Boiler feed pump		Good.	
Feed water heater		"	
Patterns	3 flights	"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF MACHINES IN MACHINE SHOP.

Bolt cutter	1½ in	Fair.	
"	2½ in	"	
Small planer 8 ft. bed	8-0 x 2-0	Poor	Should be replaced.
Lathe	8 ft. 4 in. centres 20 in. swing	Good.	
Shaper	16 in. travel	"	
Radial drill		"	
Boring mill	4 ft. 10 in. face plate	"	
Drill	21 in. swing	"	
"	21 in. swing	"	
"	21 in. swing	"	
Lathe	4-6 centres 17 in. swing	"	
Universal Miller lathe	16-0 centres 4 ft. 8 in. swing	"	
Radial Drill lathe "chuck"	6ft.-0in. centres 10 in. swing	"	
Shaper	2-0 travel	"	
"	1-4 travel	"	
Planer (large)	19 ft. 0 in. x 7 ft. 0 in.	"	Should be speeded up.
Lathe	4-6 centres 18 in. swing	"	
Lathe	7-0 centres 18 in. swing	"	
Lathe	6-6 centres 16 in. swing	"	
Lathe	4-6 centres 19 in swing	"	
Lathe	6-6 centres 21 in. swing	"	
Lathe	8-0 centres 30 in. swing	"	
Lathe	10-0 centres 24 in. swing.	"	
Lathe	4-6 centres 14 in. swing	"	
Lathe	4-6 centres 18 in. swing	"	
Lathe	20-10 centres 28 in. swing	"	
"Four" spindle drill		"	
Cold saw "Hack"		"	
Automatic cold saw, portable	18 in. diameter	"	
Planer "small"	8-6 x 2-7	"	
Lablond milling machine No. 2		"	
Drill	2-6	"	

LIST OF MACHINES IN MACHINE SHOP—*Continued.*

Name.	Size.	Condition.	Remarks.
Lathe	11-0 centres 18 in. swing	Good.	
Turret lathe	17 in. swing	"	
Lathe	4-6 centres 18 in. swing	"	
Drill face plate	3 ft. 4 in	"	
Lathe "chuck"	6-0	"	
Slotting machine		Fair.	
Overhead travelling crane and blocks	5 tons	"	Should be electrified.
Shafting		Good.	
Belting		"	
Miscellaneous		"	
Tools		"	
Sundries		"	

LIST OF MACHINES IN OLD BOILER SHOP No. 3.

Shears	51 in. gap.	Good.	
Punch	48 in. gap	"	
Punch and shears	27 in. gap	Fair.	
Plate rolls	10 ft. 0 in. x 10 in. diameter	"	Hand gear for lifting.
Countersinker		Good.	
Bending slabs	10-0 x 7-0	"	
Forge and crane		"	
Bending slabs	50-0 x 30 0	"	
Plate furnace 1 fire (5-6 x 2-2 door)	20-0	"	
Angle furnace 2 fires (2-6 x 1-3 door)	40-0	"	
1 cold saw			No use too small.
Shafting		"	
Belts and pulleys		"	
Miscellaneous		"	
Tools		"	
Sundries		"	

LIST OF MACHINES IN PNEUMATIC TOOL HOUSE.

Emery wheel		Good.	
Radial drill		"	
Shaper		"	
Lathe		"	
3 vice boards		"	
18 long stroke hammers	90 x $1\frac{1}{16}$ x 9	"	Cubic feet per minute 25.
2 " "	90 x $1\frac{1}{16}$ x 9	"	" " 25 (special for corner work).
4 " "	60 x $1\frac{1}{16}$ x 6	"	Cubic feet per minute 25.
13 chipping hammers	No. 2	"	" " 20.
5 No. 1 drills	Clow F	"	" " 35.
22 No. 2 "	"	"	" " 25.
4 No. 3 "	"	"	" " 15.
1 No. 5 drill	Wood boring	"	" " 20.
2 No. 2 corner drills		"	" " 15.
1 No. 11 tube expander		"	" " 35.
16 holders on		"	
2 hoists	3 tons	"	8 cubic feet per foot lift.
1 No. 2 Whitelaw bolt nipper		"	
2 yoke rivetters	$1\frac{1}{16}$ x 6	"	
2 compression rivetters		"	
1 rivet buster		"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	
Air hose and fittings		"	
2 painting machines		Fair.	Never used.

SESSIONAL PAPER No. 57

LIST OF MACHINES IN NEW BOILER SHOP No. 2.

Name.	Size.	Condition.	Remarks.
Angle shears double	5 x 5 x $\frac{3}{4}$	Good.	
Punch horizontal		Fair.	
2 countersinkers		Good.	
Drill		"	
Plate rolls	12-0 x 20 in. dia.	"	Too small and should have a slot cut in them.
Air compressor	12 in. x 14 in. x 12 in		Too small.
Plate rolls	3-6 x 5 in. dia.	No use.	Hand power.
Forge		Good.	(For boiler makers.)
Pressure blower fan	6 in	"	
Hydraulic shears	12 x 5 x 5 x $\frac{3}{4}$	"	
Punch	48 in. gap	"	
"	48 in. "	"	
Drill		"	
Hydraulic pumps		"	
Shears	48 in. gap	"	
Head drill		"	
Drill		"	
Emery wheel		"	
Punch		"	
"		"	
Plate planer		"	
Hydraulic coping machine		Fair.	Wants repairing badly.
2 travelling cranes	5 tons	Good.	Hand power (should be electrified.)
1 " crane	30 tons	"	" " "
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	
1 Wellsback light		"	

LIST OF MACHINES IN JOINERS SHOP (Over Saw Mill).

Lathe wood	15-0 x 20 dia	Good.	
Planer revolving table	Knife, 24 in.	Fair.	
Circular saw		Good.	
Band saw	36 in. dia., wheel	"	
Buzz planer	Knife, 26 in.	"	
Tenoning machine	4-0 x 18 in.	"	
Boring machine		"	
Grindstone	21 in. dia.	"	
Mortice machine		Fair.	
Sand paper machine		"	
Saw sharpener		Good.	
Forge	2-0 x 2-0	"	
Rolls for straightening band saws		"	
Emery wheel	12. in x $\frac{3}{4}$	"	
Emery wheel	12 in. double	"	
Emery wheel	Special	"	
Band saw sharpening machine		"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF MACHINES IN TINSMITHS SHOP.

Name.	Size.	Condition.	Remarks.
Beading machine		Good.	
Two burring machines		"	
Punch	12 in. gap	Fair.	
Rolls	36 in	"	For stove pipes.
Foot Shears	36 in	Good.	
Circular burring machines	14 in	"	
Plate folder	36 in	Fair	Want repairing.
Plate folder	21 in	"	Want repairing.
Two turning machines	Small	Good.	
Shears	10 in. gap	Fair.	
Turning machine	Large	Good.	
Wiring machine	Large	"	
Setting down machine		"	
Soldering iron furnace		No use	Should be renewed.
Hand tools		Fair.	
Benches		Good.	
Vices		"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF TOOLS IN SAWMILL.

Moulding machine	12 in. x 6 in	Good	4 sides.
Band saw		"	
Planer and matcher	24 in. x 6 in	"	
Planer (revolving table)	26 in. x 10 in	Fair.	
Travelling log carrier	60–0 in. x 36 x 36 in.	Good.	
Circular saw	60 in. dia	"	
Band saw	72 in. wheel x 9 in. wide.	"	
Timber hauling out ways		"	Endless spike chain, &c.
Swing saw	36 in. dia	"	
Edger saw	18 in. dia	"	
Swing saw	16 in. dia	"	
Emery wheel	11 in. dia	"	
Grindstone	36 in. dia	"	
Fan exhaust for shavings	36 in. dia	"	Too small.
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF TOOLS IN BLACKSMITHS SHOP.

Steam hammer	1,100 lbs	Fair.	
Steam hammer	800 lbs	"	
Electric hammer	600 lbs	"	
Electric hammer	Small	Good.	
Blower		"	
11 Forges		"	
3 Cranes		Fair.	
1 Weighing machine		"	Should be repaired and tested.
Vices		Good.	
Hand tools		"	
Cresses		"	
Steam piping		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF TOOLS IN PATTERN SHOP

Name.	Size.	Condition.	Remarks.
Lathe, wood		Good	Too close to post.
Lathe, wood		"	
Band saw		"	
Surface planer		"	
Buzz planer		"	
Band saw		"	
Grindstone		"	
Patterns		"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF TOOLS IN YARD.

Industrial railway	One mile	Good.	
Steam piping		Fair.	
Water piping		Good.	
Air piping		Fair.	
Air headers		Good.	
Air hose and connections		"	
Winch, electric	1,700 tons haul	"	
Winch, electric	600 tons haul	"	
Sewers		"	
Fire protection		"	
Weighing machine		"	
2 Loco. boilers		"	No. 2 Fire hold.
30-ton Crane	Hand	"	Over railway.
Shear legs	130 tons	"	
Shear legs	40 tons	Poor	Should be thoroughly overhauled at once or discarded.
Marine railway	1,100 tons displacement		Don't have much faith in this.
Marine railway	300 tons displacement		Don't have much faith in this.
Fencing		Good	As far as it goes.
Wharfs, 4		Fair.	
Wires and blocks		Good.	
Tools and implements		"	
11 Horses		"	
Harness and equipment		"	
Wagons		"	
Sleighs		"	
Industrial cars		"	
Boats and punts		"	
Water closets		"	
Shelters	12	"	
Wind shields		"	
Steaming trough		Fair.	
Shear legs		Good	Portable.
Derrick posts		"	"
Miscellaneous tools		"	
Sundries		"	
Blocks		"	
Ways		"	
Shores, etc		"	

LIST OF TOOLS IN STEAMFITTERS SHOP.

Name.	Size.	Condition.	Remarks.
Hand forge	Small	Good.	
Pipe machine, "screwing"	1-in. to 6-in	"	
Pipe machine, "screwing"	2-in. to 8-in	"	
2 pipe machines, "screwing"	Up to 2-in	Fair.	
Drill, upright	12-in	"	
Buffer and emery grinder combined		Good.	
Wellsbach light		"	
Pipe bending machine	2-in	"	
Slabs for bending pipes		"	
Hand taps and dies		"	
Shafting		"	
Belts and pulleys		"	
Miscellaneous tools		"	
Sundries		"	

LIST OF TOOLS IN ELECTRICAL DEPARTMENT.

Name.	Size.	Condition.	Remarks.
Air compressor	12-in. x 19-in. x 18-in.	Good	Too small.
Motor (power house)	125 h.p.	"	D.C. 110 volts.
Motor (power house)	3 h.p.	"	A.C. 2 phase 2200 volts, 30 cycle.
Generator, D.C.		"	200 k.w. 125 volts, 1600 amps.
Switchboard and equipment		"	
Electric lights		"	1000—16 C.P.
Wiring		Fair.	
Posts, &c.		Good.	
Telephones		"	
2 transformers	75 k.w	"	2200/440 volts.
2 transformers	50 k.w	"	2200/440 volts.
2 transformers	30 k.w	"	2200/440 volts.
2 transformers	15 k.w	"	2200/110–220 volts.
2 transformers	10 k.w	"	2200/110–220 volts.
2 transformers	15 k.w	"	2200/110–220 volts.
40 arc lamps	D.C.	"	
3 arc lamps	A.C.	"	
Motor and air compressor	125 h.p.	"	D.C.
Motor (sawmill)	150 h.p.	"	A.C. 440 volts.
Motor (sawmill)	100 h.p.	"	A.C. 440 volts.
Motor (sawmill)	5 h.p.	"	D.C. 440 volts.
2 motors (pumps)	30 h.p.	"	A.C. 440 volts.
Motor (plate rolls)	25 h.p.	"	A.C. 440 volts.
Motor (plate rolls)	7½ h.p.	"	A.C. 440 volts.
Motor (boiler shop)	10 h.p.	"	A.C. 220 volts.
Motor (boiler shop)	10 h.p.	"	A.C. 220 volts.
Motor (boiler shop)	10 h.p.	"	A.C. 220 volts.
Motor (boiler shop)	10 h.p.	"	A.C. 220 volts.
Motor (air tool shop)	5 h.p.	"	D.C. 110 volts.
Motor (steamfitter)	15 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	25 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	10 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	10 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	20 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	40 h.p.	"	D.C. 110 volts. (For compressor.)
Motor (boiler shop)	5 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	10 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	15 h.p.	"	D.C. 110 volts.
Motor (boiler shop)	10 h.p.	"	D.C. 110 volts.
2 motors (boiler shop)	10 h.p.	"	A.C. 220 volts.
Motor (blacksmith)	3½ h.p.	"	D.C. 110 volts.
Motor (blacksmith)	13 h.p.	"	D.C. 110 volts.
Motor (blacksmith)	10 h.p.	"	D.C. 110 volts.
Motor (machine shop)	55 h.p.	"	D.C. 110 volts.
Call bells		"	

SESSIONAL PAPER No. 57

AVERAGE RATE OF WAGES PAID TO WORKMEN.

Shipyard labourers	$1.42 per day of 10 hours.
Carpenters	1.76 " " "
Asbestos	1.61 " " "
Boiler shops	1.49 " " "
Steamfitters	2.02 " " "
Blacksmiths	1.93 " " "
Electric shop	1.90 " " "
Paint shop	1.73 " " "
Joiners shop	1.67 " " "
Pattern shop	2.01 " " "
Mould loft shop	1.76 " " "
Saw-mill	1.60 " " "
Caulkers wood	1.71 " " "
Machine shop	1.90 " " "

RATES CHARGED FOR USE OF TOOLS ON REPAIR WORK, DOCKING OR SLIPPING AT SOREL SHIPYARD. (See Scale for Docking Charges.)

Carpenters	Actual wages paid plus indirect cost.
Carpenters foremen	Actual wages charged through indirect cost.
Joiners	Actual wages paid plus indirect cost.
Joiners foremen	" " " " "
Operator at machine	" " " " "
Pipe fitters	" " " " "
Blacksmiths	" " " " "
Furnacemen	" " " " "
Electricians	" " " " "
Rivetters	" " " " "
Platers	" " " " "
Caulkers	" " " " "
Drillers	" " " " "
Boilermakers	" " " " "
Helpers	" " " " "
All foremen	Charged through indirect cost.
Planers	" " " "
Labourers	Actual wages paid plus indirect cost.
Shop foremen	Charged through indirect cost.
Pattern makers	Actual wages paid plus indirect cost.
Cementers	" " " " "
Painters	" " " " "
Machinist and lathe	" " " " "
Machinist and drill	" " " " "
Machinist and radial drill	" " " " "
Machinist and planer	" " " " "
Lathe	Charged through indirect cost.
Planer	" " " "
Foreman of punch shop	Actual wages paid plus indirect cost.
Operator of punch and shears	" " " " "
Operator at pipe cutting machine	" " " " "
Operator at counter sinking machine	" " " " "
Operator at steam rolls	" " " " "
Operator at bolt cutting machine	" " " " "

SCHEDULE OF PRICES TO BE CHARGED TO HAULING OUT VESSELS AT GOVERNMENT SHIPYARD, SOREL.

Dredging Fleet.	1st Day.	Following.
Tugs under 80 ft	$ 10 00	$ 3 00
Tugs 80 to 110 ft	15 00	3 00
Tugs over 110 ft	20 00	3 00
Scows—Dump, sounding, machine, &c	15 00	3 00
Stone lifters, coal barges	20 00	3 00
Lodging scows	10 00	3 00
Private Boats.		
Tugs under 80 ft	20 00	5 00
Tugs 80 to 110 ft	30 00	5 00
Tugs over 110 ft	40 00	5 00
Scows—small	15 00	5 00
Scows—large	25 00	5 00
Dredges	40 00	5 00
Acetylene	30 00	5 00

DAILY WORKING EXPENSES OF THE YARD.

—		Per Month.
General staff, director, &c.	(4)	$ 716 66
Office staff	(6)	361 10
Stores	(12)	688 30
Cost department	(6)	355 00
General (watchmen, &c.)	(14)	588 90
Foremen	(12)	1,181 22
Drawing office staff	(11)	909 02
Coal used per year is 1,200 tons at $4.10, plus 30c. for cartage equals $4.40	$52 80÷12	440 00
Electricity 550 H.P. at $36.50 $20070÷12		1,673 00
Rent		100 00
Horse feed, oil, belts, repair to tools and up-keep of plant—say		250 00
		$ 7,263 20
Per working day		279 35

STEEL TWINSCREW STEAMER No. 21 'MONTMAGNY,' BUILT AT SOREL FOR LIGHTHOUSE SERVICE BELOW QUEBEC.

SPECIFICATION.

Length between perpendiculars		212 ft. – 8 in.
Length over all		222 ft. – 0 in.
Beam moulded		34 ft. – 8 in.
Depth moulded to upper deck		22 ft. – 0 in.
Draught of water (loaded) mean		15 ft. – 0 in.
Displacement to L.W.L		2,080 tons.
Cargo at load draught	600 tons.	
Coal at load draught	230 "	
Reserve feed tank at load draught	25 "	
Fresh water tank at load draught	10 "	
Total deadweight		865 "
Capacity of fore peak tank		13 "
Capacity of after peak tank		45 "
Capacity of double bottom		120 "
Capacity of trimming tank		85 "
Speed		11½ knots.

The vessel is built of steel and is of the flush deck type with two pole masts. There are three steel decks; the upper deck sheathed with wood throughout, the main and lower decks sheathed with wood only in the way of accommodation. There is a boat deck in way of the deck houses. There is a double bottom 3 feet deep extending through machinery space and bunker divided into three watertight compartments, that under the boilers forming the reserve feed tank. There are six watertight bulkheads. The whole of the steel scantlings are not less than required for Lloyds highest class. The accommodation for the officials is placed aft and consists of two storerooms, an office and bath room in a deck house, and a dining saloon, two two-berth cabins, two four-berth cabins, pantry and bath room, also baggage and linen rooms on the main deck.

Accommodation for captain, chief mate, chief engineer, 2nd and 3rd mates, wireless operator, with mess room and bath room, also the galley, is placed in the deck house amidships. Accommodation for 2nd and 3rd engineers, three two-berth and one

four-berth cabins are on the main deck amidships where are also placed the ice house, two provision storerooms, boatswain's store, paint locker, lamp room and workshop, which is fitted up with lathe, shaper, drilling machine, &c., driven by an electric motor. The accommodation for four oilers, four quartermasters, boatswain, carpenter, two cooks; mess room, bath room and carpenter's store is arranged on main deck forward and on the same deck just aft of this is accommodation for 12 sailors and 12 firemen. The lower deck below the petty officer's quarters is arranged as store room. Temporary accommodation for 20 men with pantry and lavatories is arranged at the after end of forehold on the main deck. The two lower masts are of steel to the hounds with pitch pin top masts. The 7 in. x 10 in. steam winch for the forehold is arranged with suitable derrick and gear for lifting 12 tons with a purchase of two double blocks or 3½ tons direct from the barrel. The 5 in. x 10 in. after winch will lift 2 tons direct from the barrel. There is a steam and hand windlass for lifting the anchors (30½ cwt. each with 1⅝ in. cable) a 6 in. x 8 in. boat hoisting winch is fitted on the bridge deck amidship. The boats include 2 life boats, 3 surf boats, 1 gasoline launch. The 4 latter have Welin patent davits. On the boat deck which extends the length of the midship deck house is a wheel house and chart room with a navigating bridge on top. The steam steering engine is placed in the engine casing with one wheel on the bridge and one in the wheel house, there is also screw-hand gear aft. The vessel is lighted throughout with electric light, including signal lanterns and is fitted with wireless telegraph.

The machinery consists of twin screw triple expansion engines, having cylinders 15 in., 24 in. and 39 in. diameter by 24 in. stroke supplied with steam from 2 boilers of marine return tube type 14 ft. 0 in. diameter by 10 ft. 0 in. long, each having three furnaces, 3 ft. 3 in. diameter and 272 3-in. tubes, the working pressure, 180 lbs. per sq. in.

There is a donkey boiler of the vertical type 5 ft. 0 in. diameter by 9 ft. 2 in. high, working pressure 125 lbs.

The auxiliaries include 'Weir's' feed pump, ballast pump, general service and fire pump, feed heater, sanitary and fresh water pumps, also ash ejector.

A navy type hand pump is placed in the casing and connected to the general service pump suction box for use when steam is not available.

Particulars of Main Boiler—

Inside diameter, 14 ft.
Length, 10 ft.
Shell 1¼ in. thick. Two plates in circumference, one plate in length. 1¼ in. rivets in longitudinal and circumference joints.
Three corrugated furnaces, 39 in. inside diam, and 17/32 in. thick. Make 'Brown's' cambered. The above furnaces have withdrawable ends.
178 plain tubes, 3 in. ext. diam. 6 ft. 9¾ in. long x 8 I.W.G. thick.
42 ordinary stay tubes ¼-inch. thick.
52 boundary stay tubes, ⅜-in. thick.
In all 272 tubes 6 ft. 9¾ in. long x 3 in. ext. diam.
Total heating surface for one boiler, = 1,731 sq. ft.
Total grate area for one boiler, = 58½ sq. ft.
Patent shaking grates 6 ft. long.
Weight of one boiler (bare, without mountings), 35 tons.
Working pressure: 170 lbs. per square inch.
Test pressure: Hyd. 255 lbs. per square inch.

Boiler Mountings—

One 3-in. double spring safety valve.
One main steam stop valve, 4½-in. bore.
One aux. steam stop valve, 3½-in. bore.
One steam to whistle, 2-in. bore. Starboard boiler only.

Boiler Mountings—Continued.

One bottom blow-off cock, 2-in. bore.
One surface blow-off valve, 1½-in. bore.
Two feed check valves, 2-in. bore.
One water gauge with 1½-in. connections.
Three test cocks, one salinometer cock.
One cock for pressure gauge connections.
One diamond tube blower and connections, fitted for each nest of tubes.

Auxiliaries—

Two vertical feed pumps, 'Weir's' make. Size 8-in. x 6-in. x 18-in. simplex.
One ballast pump, vertical duplex. Size 7½-in. x 10¼-in., x 10-in. 'Blake,' John McDougal, Montreal.
One general service pump, vertical duplex, 8-in. x 6-in. x 11-in. 'Drolet,' Quebec.
Two sanitary pumps, vertical simplex, 6-in. x 4-in. x 8-in., 'Blake,' John McDougal, Montreal.
One Donkey boiler feed pump, vertical simplex, 4½-in. x 3-in. x 6-in. 'Blake,' John McDougal, Montreal.
One 25 K.W. engine and dynamo, 'Robb Armstrong.' (200 lights all told. The search-light was supplied at Quebec).
One Contact feed heater, 'Weir's' make.
One feed water filter, Blackburn Smith, New York.
One See's ash ejector, Mechan's, Glasgow.
One steering engine, 6-in. x 8-in. 'Caldwell,' Glasgow.

Piping—

Steam and exhaust pipes—copper.
Winch pipes—copper.
Bilge pipes—lead.
Ballast pipes—cast iron, copper bends.
Dock water service—iron.
Water service to baths, &c.—galvanized iron.
Heating system to cabins, &c.—iron.

Donkey Boiler—

Type; vertical. Made in Sorel shipyard.
Size: 5 ft. diam. Height, 9 ft. 2 in.
Shell ½-in. thick, 2 plates in height, and one plate circumference.
Rivetting, ⅞-in. throughout.
Working pressure: 125 lbs. per square inch.
Test pressure: Hyd. 188 lbs. per square inch.
Tubes: 184 plain vertical tubes 2-in. ext. diam. x 9 I.W.G. thick.
24 stay tubes, 2-in. ext. diam. x ¼-in. thick.
In all 208 tubes 3 ft. 3 in. long.
Total heating surface, 388 square feet.
Grate area, 14 square feet.
Ordinary grate bars (circular).
Weight (estimated), bare boiler, 3¾ tons.

Donkey Boiler Mountings—

One 2-in. double spring safety valve.
One 2½-in. steam stop valve.
Two 1¼-in. feed check valves.
One 1¼-in. blow-off cock.
One 1-in. surface blow-off valve.
One water gauge, direct on shell.
Three test cocks.

Main Engine, Twin Screw—

Three cylinder 15- in. – 24-in. – 39-in. inverted triple expansion surface condensing engines.
24-in.

Makers: Fleming & Ferguson, Paisley, Scotland.

Collective I.H.P. about 1,200. Revolutions: 140 about.

Piston valves for H.P. Ordinary slide valves for I.P. and L.P. cylinders.

Reversing engine (steam), of the direct acting type. Hand gear consists of large lever on end of wiper shaft.

Columns—

Cast iron. The three back columns and condenser are cast in one piece. Guide faces on both back and front columns.

Pumps—

Circulating air, feed and bilge pumps are attached to back of condenser and worked by levers on I.P. engine.

Turning Gear—

Hand worked by ratchet.

Crank Shaft—

7½-in. diam. long, 7 collars 14-in. diam.

Thrust Shaft—

7½-in. diam. x 5 ft. 4¾ in.

The vessel was designed and model made 28th March, 1907.

The steel material was ordered 29th June, 1907.

The steel material began to come to hand February, 1908.

Building was commenced 18th May, 1908.

Keel laid, July, 1908.

Launched 4th September, 1909.

Trial trip 2nd July, 1910.

Delivered 3rd July, 1910.

Three years and three months to build.

The reason we hit upon comparing the cost of building this vessel with an estimate of what she ought to have cost was that the vessel was of recent build and of rather different type to the usual construction at the yard.

We had a great amount of trouble to get at actual cost and weights—records of any kind were in the negative. After persevering, we found they had kept the cost of this vessel and machinery under 113 separate numbers. It took the staff fully two weeks to get out these figures, and then they were found to be incorrect, the one being mixed up with the other. We could not get a specification or weights of steel used in construction; in fact, they had no data of any kind; we had to ferret it out for ourselves. We cross-examined the foreman carpenter, as to various items charged up, such as—

Scaffolding, $5,522.61—of this amount about $2,000 were charged against carpenters. Asked why carpenters were employed on this work (which is really labourers' work) he replied it was usual to have carpenters to do part of it. About $2,000 was charged against material and the remainder for labourers, &c.

This whole charge is excessive and a rebate should have been arranged as most of the wood used will answer again for other vessels under construction.

The scrieve board cost $312, which is out of all character; the wood used should have been credited to the ship and used again; instead of that it was taken to make shelters for the men, and that was the end of it, and this ship had to pay for it.

Wooden foundations—which means keel blocks, &c., cost $3,193.38—$1,808 of this is for wood which should be used again for the same purpose.

Launching ways, amounting to $4,436.83, of which $2,316.85 was charged for wood, &c.; the same remark applies here. The launching operation cost $6,511.73; a most extraordinary amount of money to launch a boat of the size.

The engine room skylight cost	$1,265 66
Asbestos boiler covering cost	1,398 36
Fire hold and engine room grating cost	1,618 37
Accommodation ladder	627 96

All these amounts are grossly in excess of what they ought to be. The iron work cost we were most anxious to find out but it is an utter impossibility.

The moulding loft work on this vessel cost $12,000, nearly $9,000 for labour, which is an excessive charge and shows that this department is not handled properly. In fact, the whole carpenter department wants to be rooted out and reorganized.

The oakum is bought unspun and two men kept all the year around to spin it by hand in a shelter. Machine-spun oakum can be bought very much cheaper. Our estimate is liberal and it shows that a loss of 29½ per cent was made on the hull and equipment.

WEIGHT OF HULL DISPLACEMENT, D. W., ETC.—No. 21 C.G.S. 'MONTMAGNY.'

— —			Material charged in stock book.	Net material as calculated.
Steel plates		428		
" angles and shapes		214		
			642	600
" rivets			35	8 (heads only.)
Structural Forgings—				
Stern, &c	No.	2,590		
Rudder stock	"	1,460		
Pillars, &c	"	15,552		
			8¾	6½
Blacksmith's work—				
Handrails and stanchions	"	8,748		
Boat davits	"	11,778		
E. R. Stokehold gratings	"	7,135		
Mastwork, &c	"	8,179		
			16	13
Iron and Metal Castings—				
Hawse pipes	"	4,935		
Bollards	"	5,694		
Steering blocks, &c	"	1,926		
Chain pipes and stoppins	"	3,383		
Tunnel door	"	1,347		
Sundries	"	9,395		
			12	11½
Carpenters woodwork, hold ceiling, bunker flat, decks, handrails, masts, &c			68	56
Woodwork joiners, chart house, cabin work, &c			71	35
Cement and sand			47	47
Paint, 6 tons, oil and turps., 2 tons			8	8
Anchors and chains			24	24
Deck machinery—				
3 winches, 1 windlass			11½	11½
Outfit including 4 pairs of Welin davits, rigging, boats, heating, plumbing, ventilation, galley, upholstering, machine shop, wire and manilla ropes, compasses, telegraph, steering gear, outfit, etc			164½	164½
Machinery—				
Engines	Tons.	54¾		
Boilers	"	86		
Water in boilers	"	40		
Pumps, fittings, auxiliaries, pipes, shafting and propellers	"	45¼		
Donkey boiler	"	4		
				230
Equipped weight of hull				1,215
(Coal cargo) deadweight				865
Displacement at 15′ mean draft			Tons.	2,080

No. 21—'MONTMAGNY,' TIMBER CHARGED.

	Board Measure.	Approximate weight in long tons.
Spruce	45,040 at 26 lbs. per cubic feet	43.3
W. Pine	94,811 at 24 " "	84.6
R. "	51,565 at 28 " "	49.2
P. "	4,402 at 40 " "	5.5
B. C. Fir	1,550 at 38 " "	2.2
Hemlock	11,427 at 25 " "	10.6
Elm	27,541 at 35 " "	36.0
Teak	8,480 at 50 " "	15.8
Oak	770 at 45 " "	1.3
Cottonwood	410 at 32 " "	0.5
Birch	184 at 33 " "	0.2
Total..	246,180 ft.	250.2
Weight charged to scaffolding, foundations, ways and launching	95.2	95.2
Charged to vessel		155.0
Calculated weight of timber in vessel		91.0
Excess		64.0

	Board measure.
	Feet.
Board measure issued	246,180
" used for scaffolding, foundations, ways, launching	102,322
	143,858
" approx. as calculated	86,860
Excess	56,998

COST OF NO. 21—

Job Nos.	Machine.	Blacksmith.	Boiler.	Pattern.	Pipe.	Paint.	Yardmen and Teamsters.	Electrical.	Mould Loft.	Drafting.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
C 183		2 66								3,937 44
393				16 65					29 35	
402	7 84	27 13					Y 1,148 92			
							T 22 11			
421	436 93	498 97	5,223 44		0 41	54 25	94 09		3 76	174 75
472									215 06	
480		2 72				0 39	10 88		65 44	
484	11 76	30 10	3,553 78		15 29		85 93		19 13	
485										
501	2 09	74 21					16 50			6 85
502	200 45	35 59	271 06	258 23			92 39	13 06	50 59	52 00
503	210 15	150 44	45 95	55 07			115 21		1 83	16 35
504				191 66						50 00
520	6 02	61 64	14,665 54	70 40			478 45		2,237 37	
521	8 94	27 95	5,083 73	0 56			59 41		589 12	112 73
522		13 55	1,147 93				19 62		153 35	44 87
524	488 14	69 45		39 83			299 05			104 90
532	314 05	46 07	2 20	252 77	2,405 89		10 93			1,543 08
533	371 19	34 67	10 63	77 57	661 96		5 05			1,483 39
561	41 62	1 10	60 20	4 39			27 56			6 50
562	4 35	20 13					91 36		29 07	
569	0 46	67 30	83 82				41 49		3 08	
586			29 46		1 22		426 48			
589	41 06	25 32	1,145 47	37 40			15 19		77 82	29 44
590	160 64			64 75			7 97			50 38
611	382 36	73 25	7,899 45	6 40			349 22		1,498 76	
612		80 94	5,893 29				260 66		1,195 16	
613	38 11	404 34	100 42	14 74	323 11		64 44		298 27	
617	3 12	32 09	4,587 47				3 15			
618			2,144 87							
634	78 74	12 40					697 86			
642		1 43					376 36			
655										36 14
656	1 10	16 56	33 41			9 60	4 94		3 50	47 78
667		1 27	51 22	11 43	40 70					
668		0 70	2 55				450 07			
683								466 06		
694	69 31	55 02	434 25	65 54			7 60		21 25	
695	0 90	61 43	583 71				47 42		63 64	52 88
697		418 90	648 42				5 33		56 32	
704	0 94	3 13	38 03			8 80	14 48		22 52	38 47
739	1 81	10 24	25 21	24 52			63 18			
740			298 69				18 85		57 77	
741	0 46	1 58	299 97				70 20		45 43	
743		0 79	214 87				3 17		44 52	
744		0 79	367 36		0 46	210 12	72 24		172 97	
745			1,009 83				41 96		216 03	
746	8 93	12 11	1,431 03		0 40		54 38		392 45	
763					1 50					
773	60 08			16 00	1 75		3 78			
774		3 78	522 81	3 94			6 70		7 43	13 60
782	54 25			301 36			9 30			30 95
786	0 46	1 85	337 24		1 50		30 07		13 25	
787	7 59	54 16	1,228 64		4 33	18 60	68 69		186 97	
788	17 09	48 98	433 88				35 45		76 00	
801	32 19	31 60		8 92	1,115 20		3 47			7 82
802	87 90	1 71		50 42			49 18			8 53
804	70 55			98 88			1 88			35 41
813				11 00		1 35	4 83			
823		0 70				5,717 94				

SESSIONAL PAPER No. 57

DIRECT COST.

Asbestos.	Carpenter.	Cabinet, Caulkers and Sawmill.	Total Direct.	Indirect.	Material.	Grand Total.	—
$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	
.....	4 50	c 11 25	3,961 82	1,669 32	5 97	5,637 11	Plan.
.....	.....	c 0 80	46 80	29 58	20 13	96 51	Wooden model.
.....	1,575 91	s 59 56	2,819 36	783 86	1,919 39	5,522 61	Scaffolding.
.....	.....	.....	.....	.....	.....	.....	
.....	.....	s 4 68	6,513 39	3,965 15	6,135 09	16,613 63	Two boilers.
.....	.....	.....	215 06	106 56	21 25	342 87	Full size outlining.
.....	13 55	3 13	96 11	41 81	174 28	312 20	Scrieve board.
1,367 33	803 84	s 127 63	6,014 79	2,488 96	6,645 59	15,149 34	Hull.
.....	.....	.....	.....	.....	1,786 71	1,786 71	Anchors, wires and chains.
.....	7 00	.....	106 65	90 26	380 23	577 14	Stern frame.
.....	11 38	s 73 04	1,057 79	566 08	1,402 41	3,026 28	Stern tubes and brackets.
.....	.....	.....	595 00	266 04	451 22	1,312 26	Rudder pintles and quadrant.
.....	.....	.....	241 66	172 36	92 94	506 96	Cast steel connective to stern and sternpost.
.....	254 83	s 23 10	17,837 35	10,967 87	12,691 66	41,496 88	Hull framing (includes steel ship
.....	.....	.....	5,882 47	3,149 94	2,476 94	11,509 35	Bulkheads. [in frame).
.....	.....	.....	1,379 32	738 89	434 28	2,552 49	Engine and boiler foundations.
.....	14 50	c 2 88	1,018 75	367 62	3,837 29	5,223 66	2 sets propeller shafts & bearings.
.....	9 60	s 1 90	4,586 49	1,764 88	6,113 79	12,465 16	Steam piping arrangement.
.....	80 27	s 1 68	1,391 41	573 08	1,962 20	3,926 69	Bilge and ballast.
.....	.....	.....	141 37	61 27	441 83	544 47	Ash ejector.
.....	945 96	s 19 74	1,110 61	274 44	1,808 77	3,193 82	Wooden foundations.
.....	.....	.....	196 15	116 62	142 43	455 20	Forged stem.
3 10	.....	.....	460 26	109 50	17,753 00	18,322 76	Propelling machinery includes Fleming & Ferguson's contract
.....	.....	.....	1,371 70	798 27	479 25	2,649 22	Donkey boiler.
.....	.....	.....	283 74	141 65	256 94	682 33	Thrust blocks.
.....	37 71	c 66 23	10,253 38	5,659 68	8,825 24	24,738 30	Shell plating without riveting.
.....	.....	s 0 88	7,430 03	4,004 32	6,486 10	17,930 08	Deck plating.
.....	.....	.....	1,243 43	647 68	1,422 22	3,313 33	Bulwark.
.....	.....	s 1 67	4,627 50	2,443 20	911 90	7,982 60	Shell plating riveting only.
.....	.....	s 0 80	2,145 67	1,034 82	495 75	3,676 24	Deck plating riveting.
.....	194 84	k 751 06	1,734 90	385 08	2,316 85	4,436 83	Ways.
.....	.....	.....	377 79	95 52	25 71	499 02	Erection of boilers.
.....	.....	.....	36 14	15 61	294 00	345 75	2 propellers.
.....	491 22	c 387 33	995 44	560 99	756 43	2,312 86	Chart house.
.....	10 40	c 474 81	589 83	282 90	563 49	1,436 22	Deck house, sash & doors in teak.
.....	.....	.....	453 32	181 18	7 13	641 63	Snow cleaning.
.....	7 07	.....	473 13	200 01	76 04	749 18	Temporary light.
.....	.....	.....	652 97	335 31	352 44	1,340 72	Boiler equipment.
28 56	.....	.....	838 54	419 99	316 12	1,574 65	Smoke box.
.....	.....	.....	1,128 97	620 04	489 07	2,238 08	Arrangement of pillars.
.....	.....	.....	126 37	62 39	207 32	396 08	Funnel and damper.
.....	76 50	.....	201 46	83 95	271 71	557 12	Moving arrangement.
.....	10 80	.....	386 11	193 69	335 90	915 70	Engine and boiler casings.
.....	.....	c 1 24	418 88	186 30	153 31	758 49	2 tanks in tunnel.
.....	47 55	.....	310 90	152 63	195 32	658 85	Coal chutes.
.....	798 38	c 168 69	1,791 01	691 78	1,440 57	3,923 36	Officers quarters between deck aft
.....	371 94	c 185 96	1,825 72	840 22	1,398 81	4,064 75	" " upper deck.
.....	28 47	c 48 24	1,976 01	1,073 78	1,792 28	4,842 07	Main upper deck house.
.....	.....	.....	1 50	0 99	.....	2 49	2 blow-off cocks (Do. 2222).
.....	1 35	.....	82 96	33 13	40 58	156 67	2 sea suction valves 2 box.
.....	.....	.....	557 66	271 88	115 35	944 89	Upper deck.
.....	1 35	.....	397 21	252 75	124 26	774 22	Circulating pump sea suction
.....	495 13	k 190 80	1,070 30	442 79	1,072 12	2,585 21	Lower deck. [valve.
.....	938 37	k 334 78	2,842 11	1,317 95	2,568 50	6,728 56	Bridge deck and stanchions.
.....	1,236 15	k 397 07	2,244 62	933 46	2,061 40	5,239 48	Main deck.
.....	23 60	.....	1,222 80	376 85	1,800 68	3,400 33	Sanitary pumps and piping.
.....	.....	c 3 40	201 14	89 03	2,548 20	2,838 37	Feed " "
.....	.....	.....	206 72	129 36	924 59	1,260 67	Ballast "
.....	.....	.....	17 18	8 26	159 62	185 06	Ventilating system.
.....	.....	.....	5,718 64	1,301 47	1,303 47	8,323 58	Painting inside and outside of hull.

COST OF No. 21—

Job Nos.	Machine.	Blacksmith.	Boiler.	Pattern	Pipe.	Paint.	Yardmen and Teamsters.	Electrical.	Mould Loft.	Drafting.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	cts.
C 831	12 15	2 43	8 75				265 07	688 45	36 51	16 16
836	24 75	12 17	81 35	320 18			12 55			20 83
847	105 36	9 59		48 85			1 38			100 27
849	57 20	26 78	2 10	142 18	823 04	121 99	14 50			7 69
860							1,384 25			
869			51 82							
872	1 26	28 00	868 73			2 82	126 99		107 92	8 33
883	0 80	2 19					3 78			
884	2,681 44	112 26	2 83	5 45	1 66		53 06		29 54	
900	2 38	0 35					3 64			
918	6 07	15 72	34 05				362 14			114 19
924	0 84			6 46						
926	9 99						8 92			
927	41 40									
943		1 63			55 58		68 12		5 03	
944		0 44					12 57			
945	11 76		3 85	12 95			0 84			
949	2 24	4 94	459 86				39 27		22 40	
950	160 35	49 70	357 77	18 87		1 70	7 85		26 02	
953		3 28					15 66			
954	1 51	8 04					17 78			
967	65 96	5 05	125 82			1 70			7 87	
972	1 75	20 76	492 31		1 73		8 56		36 32	
988	34 07	92 39	614 75	9 93	34 01				14 90	
1012	20 10	5 52	16 16		7 94					
1034							5 79			
1044	302 64	54 60	369 94	29 72			53 81		52 10	
1050	19 63	1 55		61 88	67 00					
1061	78 73	167 25	605 77				2 78		110 15	
1067	175 69					18 75	17 49			
1071	0 50	0 75	20 60				35 13			
1094							24 32			
1098					56 20		2 84			
1105	132 15	526 06	59 49	7 06			44 75			
1109	11 49									
1126	7 30		30 84		41 61		2 75			
1142	24 54	160 38	13 95	7 59			104 90			
1144			4 05				2 44			
1146	1 97	11 35			550 53					
1149	5 45	0 78	93 24		6 68		130 16			
1151	15 39	2 50	539 06		1 75		27 04		128 08	
1152		15 11	27 50		42 83		16 61		6 68	
1158	0 90	1 83	338 04				13 42		70 28	
1177	2 31		88 69				14 66			
1181	16 24	2 90		10 00			44 15			
1193	1 13	27 27								
1210		58 72					1 67			
1244	0 46	2 45	12 00			4 38	90 33			
1264							53 11			
1284	33 48	140 17	12 35	17 33			14 67			
1286								6 30		
1289	1 60		59 25							
1293		14 75	52 76				1 40			
1305	19 62		5 41							

DIRECT COST—*Concluded.*

Asbestos.	Carpenter.	Cabinet Caulkers and Sawmill.	Total Direct.	Indirect.	Material.	Grand Total.	
$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	
	130 35		1,159 87	332 77	1,111 52	2,604 16	Lighting system.
	29 62		501 45	328 73	212 13	1,042 31	Hawse pipes and chain stopper.
			265 45	112 12	89 48	467 05	Watertight door to funnel.
	162 25		1,357 73	586 69	962 32	2,906 74	Drainage system.
			1,384 25	250 20	6 21	1,640 66	Cleaning and sweeping.
			51 82	26 75	0 48	79 05	Auxiliary engine.
	152 79	s 2 74	1,299 58	623 44	531 25	2,454 27	2 steel masts (dx).
	85 08	s 1 90	93 75	37 61	85 43	216 79	Funnel.
	369 91	c 31 38	3,287 53	1,228 23	1,097 63	5,613 39	Erection of machinery.
			6 37	1 73	430 73	438 83	Filter (Blackburn & Smith).
	402 65	c 210 25	1,145 07	416 12	513 71	2,074 90	Launching operations.
			7 30	5 86	44 09	57 25	12 brass wriggles (Dr. No. 2193).
		s 3 15	22 06	7 02	499 50	528 58	Feed water heater.
			41 40	15 24	106 72	16 36	Main circulating outlet (Dr. No. 2181).
	716 22	k 350 16	1,196 74	414 75	1,327 00	2,938 49	Lower deck crew quarters.
	993 24	k 392 02	1,398 27	476 16	779 82	2,654 25	Petty officers quarters.
			29 40	18 64	49 86	97 90	2 only 1¼-in. check valves.
			528 71	251 28	201 21	981 20	Main funnel casing.
			622 26	290 92	352 48	1,265 66	Engine room skylight (steel).
	72 01	s 8 40	99 35	40 73	91 32	231 40	Stern hatches.
	205 96	s 13 65	246 94	95 98	199 41	542 33	Main "
			206 40	88 32	93 74	388 46	Galley skylight (steel).
			561 43	272 69	233 48	1,067 60	Ventilators Coamings (Dr. No. 21169).
	24 65	k 37 93	862 63	337 02	1,936 02	3,135 67	Engine room and fire hold equip-
			49 72	19 71	307 88	377 31	Donkey boiler equipment. [ment.
779 15			784 94	225 75	387 67	1,398 36	Asbestos boiler coverings.
	286 35	s 10 30	1,139 46	466 98	2,179 87	3,786 31	Steering arrangement.
	1 00		151 06	81 60	347 69	580 35	Awning stanchions upper bridge.
			964 68	442 50	211 19	1,618 37	Fire hold and engine room grat-
		c 3 40	215 33	70 73	32 21	318 27	Gasoline launch. [ings.
	39 70		96 68	34 60	891 47	1,022 75	Windlass.
		s 3 50	27 82	6 23	59 50	93 55	Booming, winter, '09-'10.
			59 04	22 89	282 56	364 49	Galley equipment.
	556 45		1,325 96	716 80	2,971 87	5,014 63	Masts, riggings.
			11 49	4 09	7 12	22 70	Ash hoisting gear.
	340 78	c 21 43	444 71	139 84	458 95	1,043 50	Engine's telegraph.
	140 27		451 63	181 73	696 38	1,329 74	Boat davits and gear.
	30 50	c 7 05	44 04	14 01	418 28	476 33	Official mess room equipment.
			563 85	146 27	524 58	1,234 70	Steam heating.
		k 56 00	292 31	96 83	345 62	734 76	Deck equip. (Tarpaulin covers and awnings).
	62 05	k 19 50	795 37	328 00	418 03	1,541 40	Engine room and fire hold floors.
	119 78		230 51	71 83	277 52	580 16	Refrigerator.
			427 55	174 02	290 68	892 25	Main deck W. C. for crew.
		k 3 50	109 16	33 63	830 39	973 18	Machine shop equipment.
			67 29	20 84	22 21	110 34	Anchor crane.
			38 40	22 43	8 52	69 35	Ring and eye bolts.
	46 67		107 06	49 96	27 70	184 72	Boat boom.
	568 37	c 63 81	741 80	240 28	1,208 67	2,190 75	Crew quarters equipment.
			53 11	10 54	90 00	153 65	Coaling.
	50 85		268 85	138 82	220 29	627 96	Accommodation ladders (Dr. No.
			6 30	1 40		7 70	Wireless telegraph. [21180).
			60 85	22 55	316 53	399 93	Diamond jet blowers.
			68 91	29 61	40 06	138 58	Reels for hawsers (Dr. No. 15156-15157).
			25 03	8 69	5 04	38 76	Brass name "Montmagny."
			137,907 06	64,655 16	134,130 02	336,692 24	(Wireless was not fitted at Sorel).

Machinery	$ 89,593 00
Hull	247,099 00
Grand total	$ 336,692 00

SUMMARY—COST OF SHIP No. 21, TAKEN FROM DETAILS OF COST FROM PREVIOUS SHEETS.

—	Grand Total.
HULL.	$ cts.
Plans (½ to hull)	2,818 00
Scaffolding	5,523 00
Model	96 00
Full size outlining	343 00
Scrieve board	312 00
Hull	15,149 00
Anchors, wires and chains	1,787 00
Stern frame	577 00
Sterntubes and brackets	3,026 00
Rudder, pintles and quadrant	1,312 00
C.S. connections to stern and sternpost	507 00
Hull framing	41,497 00
Bulkheads	11,509 00
E. and B. foundations	2,552 00
Wooden foundations	3,194 00
Forged stem	455 00
Shell plating without riveting	24,738 00
Deck plating without riveting	17,930 00
Bulwark	3,313 00
Shell plating, riveting only	7,983 00
Deck plating, riveting only	3,676 00
Ways	4,437 00
Chart house	2,313 00
Deck house (sash and doors in teak)	1,436 00
Snow cleaning	641 00
Temporary light	749 00
Arrangement of pillars	2,238 00
Mooring arrangements	557 00
E. and B. casing	916 00
2 tanks in tunnel	758 00
Coal chutes	659 00
Officers' quarters between after deck	3,923 00
Officers' quarters, U. deck	4,065 00
Main upper deck house	4,842 00
Upper deck	945 00
Lower deck	2,585 00
Bridge deck and stanchions	6,728 00
Main deck	5,239 00
Ventilating system	185 00
Painting inside and outside of hull	8,324 00
Lighting system	2,604 00
Hawse pipes and chain stopper	1,042 00
W.T. door to tunnel	467 00
Cleaning and sweeping	1,641 00
2 steel masts	2,454 00
Launching operation	2,075 00
Brass wrigles, 52 off	57 00
Lower deck crew quarters	2,939 00
Petty officers' quarters	2,654 00
Main funnel casing	981 00
E.R. skylight, steel quad., etc	1,266 00
Stern hatches	231 00
Main hatches	542 00
Galley skylight	388 00
Vent coamings	1,068 00
Steering arrangement	3,786 00
Awning stanchions, V.B.	580 00
Gasoline launch (repairs only)	318 00
Windlass	1,023 00
Booming for winter	94 00
Galley equipment	365 00
Masts and rigging	5,014 00
Engine telegraph	1,044 00
Boat davits and gear	1,330 00
Official mess room equipment	476 00
Carried forward	234,276 00

—	Grand Total.
HULL—*Continued*	$ cts.
Brought forward	234,276 00
Steam heating	1,234 00
Deck equipment, tarpaulins, awnings and covers	735 00
E.R. and B.R. floors	1,541 00
Refrigerator	580 00
Main deck w.c. for crew	892 00
Anchor crane	110 00
Ring and eye bolts	69 00
Boat boom	185 00
Crews quarters equipment	2,191 00
Coaling	154 00
Accom. ladders	628 00
Wireless telegraphy	8 00
Reels for hawsers	139 00
Brass name	39 00
Drainage system, w.c. pipes, scuppers	2,906 00
	245,687 00
MACHINERY.	
(¼ to machinery)	1,409 00
2 sets propeller shafts and bearings	5,224 00
Steam piping arrangements	12,465 00
Bilge and ballast	3,927 00
Propelling machinery	18,323 00
Thrust blocks	682 00
2 propellers	345 00
2 sea suction valves	187 00
Cir. pump sea suction valves	774 00
Sanitary pumps and piping	3,406 00
Feed pumps and piping	2,838 00
Ballast pumps and piping	1,261 00
Auxiliary engine	79 00
Erection of machinery	5,614 00
Filter (Blackburn & Smith)	439 00
Feed water heater	529 00
Main cir. outlet	163 00
2 check valves, 14-in.	98 00
E.R. and B.R. equipment	3,136 00
E.R. and B.R. gratings	1,618 00
Machine shop equipment	973 00
	63,454 00
BOILERS.	
Boilers	16,614 00
Plans (¼ to boilers)	1,409 00
Ash ejector	645 00
Donkey boiler	2,650 00
Erection of boilers	499 00
Boiler equipment	1,341 00
Smoke box	1,575 00
Funnel and damper	396 00
2 blow-off cocks	3 00
Funnel	217 00
Donkey boiler equipment	377 00
Asbestos boiler covering	1,398 00
Ash hoisting gear	23 00
Diamond jet blowers	404 00
	27,551 00

SUMMARY.

Hull	$ 245,687 00
Machinery	63,454 00
Boilers	27,551 00
Grand total	$ 336,692 00

APPROPRIATIONS WERE GRANTED :

1907–8	$ 12,260 28
1908–9	156,134 71
1909–10	128,274 14
1910–11	42,981 53
Total	$ 339,650 66

ESTIMATE OF PROPER COST OF SHIP No. 21.

Steel plates and shapes, nett long tons, Wm. B	600
Add 7½ p.c. scrap " " "	45
	645-792 short tons say 730.

Material.	*Labour.*		
730 at $37.00	27,010 at 2½	36,500	$ 63,510 00
Riv. 5 p.c. 37 at 55.00	4,057 at 12c	8,880	10,937 00
			$ 74,447 00

C.S. Steam, post, rudder and brackets	1,500 00
Castings, steel and iron	1,800 00
Joiner work	10,000 00
Carpenter work	9,000 00
Blacksmith work	2,200 00
Painting	4,000 00
Cementing	750 00
Cleaning up	450 00
Moulds	4,500 00
False work	1,200 00
Launch	1,000 00
Ballast piping and pumps (in machinery)	
Steam heating	1,600 00
Plumbing	2,400 00
Telegraphs	500 00
Electric Light	3,500 00
Windlass	650 00
Steering gear, includes hand	1,600 00
Anchors and chains	1,600 00
Hawsers, warps, nippers, &c	800 00
Fire and life appliance	100 00
Tiling	200 00
Upholstering	1,000 00
Wire rigging	350 00
Derrick gear blocks, &c	500 00
Spars	200 00
W. T. door	300 00
Boats (say 4 boats)	1,500 00
Hoisting winch for boats	400 00
2 winches	1,600 00
Ventilator	200 00
Outfit flags, bell, &c	300 00
Lamps, signal and berth	450 00
Sidelights—60	1,300 00
Galley range and utensils	350 00
Insulation	500 00
Awnings and covers	550 00
Compasses	700 00
Chandelier and deck stores	400 00
Bedding and linen	1,600 00
E Plate	500 00

ESTIMATE OF PROPER COST OF SHIP No. 21—*Continued.*

Galvanizing		$ 100 00
Welins davits (2 sets)		750 00
Sundries		2,000 00
		$ 139,347 00
Maintenance—20 p.c.		27,869 00
		$ 167,216 00
Machinery		65,000 00
		$ 232,216 00
Say		240,000 00
Cost	336,692 00	
Estimated proper cost	240,000 00	
Difference	$ 96,692 00	=29 p.c.

ESTIMATED COST OF MACHINERY AND BOILERS.

(2)	15 x 24 x 39 / 24	Inverted triple expansion surface condensing engines; collective 1 h.p., 1,200; revs., 140; steam reversing gear, columns cast iron, propellers solid c. iron, 8 ft. 0 in. dia. x 9–3 pitch. $12,000 each	$ 24,000 00
(2)		Boilers, Scotch, 14 ft. 0 in. dia. x 10 ft. 0 in. long, 3 corr. furnaces 39 in. dia., 178 tubes 3 in. x 6 ft. 9¾ in. H.S. 1731, G.S. 58½, working pressure 170 lbs., $5,300 each	10,600 00
(2)		Vert. feed pumps, Weirs 8 x 6 x 18 Sunples	1,500 00
(1)		Ballast pump vert. duplex 7½ x 10¼ x 10 Blake	400 00
(1)		General service donkey vert. duplex 8 x 6 x 11 'Blake'	450 00
(2)		Sanitary pumps vert. simplex 6 x 4 x 8 'Blake'	600 00
(1)		Donkey boiler feed pump simplex 4½ x 3 x 6 'Blake'	300 00
(1)		Contact feed heater "Weir"	600 00
(1)		Feed water filter, "Blackburn Smith," New York	400 00
(1)		Lees ash ejector	750 00
		Piping to winches, bilges, ballast, deck service, &c.	7,500 00
		Donkey boiler, vertical 9 ft. 2 in., 5 ft. 0 in. dia.	1,600 00
		Sundries	1,500 00
			$50,200 00
		Maintenance 20%	10,040 00
			$60,240 00
		Say	$65,000 00

Contract price, plates and angles, $1.85 per 100 lbs.
" " rivets.....$2.78 "
" " C. S. sternpost...6¼ cents per lb. } In the rough.
" " C. S. brackets....6¼ " }
" " C. S. stern shoes.6¼ " }
" " C. S. rudder.....6¼ " }
" " Fleming and Ferguson main engines, £3,050.

Cost of Engines complete (including all charges)	$67,174 70
" Boilers " "	26,230 12

AUXILIARIES—	$ s.
"Weir's" feed pump	1,482 00
Ballast pump	368 00
General service pump	350 00
Sanitary and fresh water pump (each)	296 00
"Weir's" feed heater	475 00
Feed filter	410 00
Ash ejector	383 86
Steam steering engine	1,065 00
Hand steering gear with duty	117 01
Stone navy pump	133 12
7 x 10 winch	425 83
5 x 10 "	270 46
6 x 8 "	242 00
Duty on last two	76 80
Windlass	725 00
Drilling machine, emery grinder, lathe, shaper and 5 h.p. motor	712 50

Attached
- General Arrangement Plan.
- Longitudinal Section.
- Midship Section.
- Fleming & Ferguson's Specification of Main Engines.

ELEVATOR DREDGES Nos. 26, 27—NON-PROPELLING—BUILDING AT SOREL FOR USE IN THE ST. LAWRENCE SHIP CHANNEL.

SPECIFICATION.

Length B.P.	180 ft. – 0 in.
Breadth moulded	40 ft. – 0 in.
Depth moulded	14 ft. – 0 in.
Draft loaded (mean)	9 ft. – 0 in.
Deadweight at load draft	197 long tons.
Dredging depth extreme at the load draft	52 ft. – 0 in.

The vessels are built of steel, the scantlings being nowhere less than Lloyds requirements for their highest class and increased where necessary to withstand the strain of dredging. There are five watertight bulkheads and two non-watertight. The only W.T. bulkhead with an opening is between the engine and boiler room and a watertight door is fitted each side of the ship worked from the upper deck. There is a complete steel upper deck covered with 2½-in. pitch pine forward and aft, the plating being chequered elsewhere. There is a shelter deck at each end carried on stanchions; the mess room and accommodation for the junior officers and engineers, petty officers, cooks, refrigerators, pantry and galley are in deck house on the forward part of this deck and the cabins of the captain, chief engineer and chief second officers and a bath room are on the after part. The crew's quarters are on the port side below the upper deck at the forward end of well; there is accommodation for watchman, 2 oilers, 4 winchmen, 4 firemen and 6 sailors, also a storeroom.

The dredging engine is placed on the back of the main framing which is the after end of the vessel and built in a very substantial manner of steel plates and angles and carried by columns of semi-box form which are carried down to the top of the floors and connected to two of the bulkheads and to an extension of the well plating. There is one shoot which is placed on the port side and has a hinged part extending 14 feet over the side of the vessel and discharging 6 feet above the L.W.L.

The dredging engines are compound, having cylinders 17 in. x 34 in. x 36 in. stroke. In the engine room at the after end of the vessel under the upper deck, the auxiliaries consisting of a Weir's feed pump, Weir's feed heater, general service pump, shoot pump, sanitary pump and feed filter. The stern winch and dynamo are also in this compartment.

The bucket ladder, which is built of plates and angles and weighs complete with the bucket chain about 150 tons, is suspended at its upper end on the main framing and is carried at the forward end by 5 sheave blocks and 2½-in. wire ropes from the 'A' frame, which is built of plates and angles carried on columns of semi-box form.

The buckets are of cast steel with 4 wrought iron cutting teeth having tool steel points; they are 43 in number and the capacity of each bucket is 15 cu. ft. The dredging speed is about 16 buckets per minute. The hoisting winch is driven by a double vertical engine having cylinders 10 in. x 12 in. and is capable of lifting the ladder at a speed of 7 feet per minute.

The bow cable winch is driven by a similar engine and is capable of pulling in the rope at a speed of 100 ft. per minute in the working conditions. The barrel is large enough to stow 2,000 feet of 1½ in. dia. wire rope, the weight of the bow anchor is 3,000 lbs.

The 2 breasting winches have double horizontal cylinders 8 in. x 12 in. stroke with 2 barrels working in opposite directions, each barrel stows 1,000 feet 1¼ in. dia. wire rope and the weight of each anchor is 2,000 lbs. The stern winch, which has double horizontal cylinders 10-in. x 12-in. with barrel capable of stowing 1,500 feet 1¼-in. dia. wire rope; the weight of the stern anchor is 2,000 lbs. Two steam capstans having cylinders 7-in. x 8-in. stroke are fitted on deck for manœuvring scows &c. A winch

having cylinders 6 in. x 6 in. stroke is fitted for lifting the hinged shoot. The machinery is supplied with steam from two marine return tube boilers 12 ft. dia. x 10 ft. long, having a working pressure of 130 lbs. per sq. inch and working with natural draught; they are placed one on each side of the vessel just forward of the main framing. Each stokehold is fitted with a See's ash ejector. The bunkers are placed one on each side forward of the stokeholds, with large hatches on deck. A five tons hand derrick for lifting buckets is placed on the starboard side abreast of the ladder.

An electric generator with a complete installation of lamps, including a searchlight, is fitted.

All the accommodation is steam heated and all the cabins on the shelter deck including bath room, W.C. and galley, are supplied with running water.

Main Engines (Dredging)—

One set compound jet condensing engines, connected direct to gear and attached to back of main framing (i.e. superstructure for carrying top gearing) above main deck.

Size: 17 in. – – 34 in. working pressure 130 lbs. per square inch.
36-in.

Revolutions at a speed of 16 to 17 buckets per minute. (I.H.P. – 450).

Makers: Fleming & Ferguson, Paisley, Scotland.

There are no pumps worked by main engines.

Steam reversing engines direct acting type.

Steam turning gear.

Front columns are forged steel.

No back columns, their place being taken by a long bed-plate to which the cylinders are bolted. The main bearings are cast on bed-plate.

Crank shaft: Built 8¼-in. diameter.

Piston rod guides are of the locomotive type with single bar.

Governor—

A Pickering governor is supplied to prevent excessive speed.

Auxiliaries—

One feed pump, 'Weir's,' simplex, 7-in. x 5-in. x 12-in.

One general service pump, 'Drolet's,' vertical duplex, 6-in. x 4-in. x 6-in.

One shoot pump, 'Fairbank's' horizontal duplex, 8-in. x 6-in. x 12-in.

One sanitary pump, 'Blake' horizontal duplex, 4½-in. x 3¾-in. x 4-in.

One engine and dynamo 11 K.W., Robb Engineering Co.

One feed heater, 'Weir's' surface type.

One feed water filter, 'Harris.'

One jet condenser and air pump combined, 'Blake.' Size of air pump: 12-in. x 18-in. x 24-in.

Boilers—

Two Scotch marine, single ended, 11 ft. 10 in. diam. inside x 10 ft. 0 in. long.

Working pressure: 130 lbs. per square inch.

Test pressure (Hyd.): 195 lbs. per square inch.

Shell 13/16 in. thick. One plate in length, 2 plates in circumference.

Longitudinal joint ⅞-in. riveting circum. joint 1⅛-in. riveting.

Two 'Brown's' cambered furnaces 3 ft. 4 in. diam. inside, 7/16 in. thick, with drawable ends.

136 plain tubes, 8 I.W.G. thick.

58 stay tubes, 5/8 in. thick.

In all 194 tubes 3-in. ext. diam. and 7 ft. 0 in. long.

Total heating surface: 1,209 square feet.

Grate area: 40 square feet.
Patent shaking grates, 6 ft. 0 in. long.
Weight of one boiler (bare) (shell only) without mountings: 47,500 lbs. 21·2 tons (long).

Boiler Mountings—One Boiler—

One 3-in. double spring safety valve.
One 4-in. main steam stop valve.
One 3½-in. aux. steam stop valve.
Two 2-in. combined stop and feed check valves.
One 2-in. bottom blow-off cock.
One 1½-in. surface blow-off valve.
One water gauge with 1½-in. connection.
Three test cocks.
Funnels. (2 off).
Weight of two together—8,055 lbs.—3·6 tons (long).
Smoke boxes. (2 off).
Weight of two together—5,400 lbs.—2·4 tons (long).
Two ash ejectors—own make.

Piping—

Steam and exhaust, copper.
Winch pipes, partly of iron and partly of copper.
Bilge pipes, lead.
Sanitary pump connection, iron.
Heating system, iron.
Main exhaust and air pump discharge, cast iron.
Deck water service, iron.
Other pipes, copper generally.

Frames, 4½ x 3 x 7/20 spaced 24 inches.
Rev. , 3 x 3 x 7/20.
Floors, 21½ x 8/20 and 9/20-in. machy. space. 10/20 in way of boiler.
Shell, keel 12/20, bottom 8/20 and 9/20, bilge 10 to 9/20, lower side 8/20, upper side, 10 to 9/20, sheer 12/20.
Well 10/20.
One bottom side keelson and two side stringers on ship's side and well sides.
Double fenders all fore and aft (top sides).
Frames, rev. floors, flat keel, C.V.K. and rider and side keelsons and part of shell, ordered 29th June, 1909.
Material commenced to come to hand, Sept., 1909.
Bulkheads, balance of shell, decks, stringers, beams and well plating and bulwarks, ordered 16th Sept., 1909.
Main framing. A frame and bucket ladder, ordered 17th Jan., 1911.
Commenced building, Dec., 1909.
No. 26 launched, 22nd Nov., 1910.
No. 26 will be finished, June, 1912.
——17 months from date of order of material to day of launching; and
——19 months to finish after launch—36 months to build.

INVOICED WEIGHT OF MATERIAL.

	Long Tons.
Steel Plates (inclusive bucket ladder and framing)	428
" Angles " " "	170
" Tees	1
" Channels	21
	620
Rivets	36
Invoiced material	656
Scrap off, say 5%	31
Net material	625

WEIGHT OF HULL.

	Long Tons.
Net weight of material	625
Blacksmith work, rails, stanchions, &c	8
E. R. and stokehold flooring	8
Wood work (joiner and carpenter)	45
Cement	35
Outfit, boats, paint, castings, &c	29
Anchors, chains and wire ropes	26
Weight of hull	776

MACHINERY WEIGHT.

	Long Tons.	
Dredging engine, gearing and top tumbler	67	
Bucket ladder (in steel)	—	
Buckets, links, pins and bottom tumbler	115	
Bow winch, 10-in. x 12-in	17	
Hoisting winch and blocks, 10-in. x 12-in	35	
Stern winch, 10-in. x 12-in	4	
2 Breasting winches, 8-in. x 12-in	16	
2 Capstans, 7-in. x 8-in	6	
Derrick for lifting buckets	5	
2 Boilers, complete	61	
Water in boilers	25	
Pumps, ash ejector, pipes, fittings, &c	18	
		363
Equipped weight		1,139
D. W. Coals and stores		197
Load displacement		1,336

Mean draft from scale, 9 feet, 2 inches.

DRAUGHT TAKEN BY MR. BRIDGE, MARCH 23, 1912.

Forward	7 feet, 4 inches	
Aft	6 " 2 "	
Mean	6 " 9 "	
Disp. per disp. curve		930 tons
Estimated weight to finish.—		
Wood work	16	
Stokehold flooring	8	
Castings and outfit	16	
Main framing (to finish)	10	
Buckets and gear	115	
Capstans	6	
Derrick	5	
Water in boilers	25	
Piping and sundries	8	
		209 "
		1,139 "
D. W		197 "
		1,336 "

(Launching draft, 3-10 mean ..... 520 tons per scale)
(Bucket ladder in steel ..... 40 tons).
(Main framing in steel ..... 50 ")
(A " " ..... 20 ")

Per Mr. Bridges and Mr. Deans.

Timber Used in Construction.

Used for Vessel.				
White pine (rough)	16,389 feet, board measure, at	$40		$ 655 56
" " (prepared)	5,305 " " "	50		265 25
Red "	17,178 " " "	45		773 01
Pitch "	540 " " "	50		27 00
Spruce	8,136 " " "	20		162 72
Elm	8,529 " " "	60		511 74
Oak	832 " " "	60		40 92
	56,909			$ 2,445 20
Used for Scaffolding and Ways.				
White pine	32,164 feet, board measure, at	$40		$ 1,286 56
Red "	5,123 " " "	45		230 53
B. C. fir	1,032 " " "	60		61 92
Spruce	17,151 " " "	20		343 02
Elm	1,593 " " "	60		95 58
Oak	3,922 " " "	60		235 32
Basswood	196 " " "	27		5 29
	61,181			$ 2,258 22

Weight of Timber used for vessel. (Not Scaffolding or Ways.)	Long Tons.
White pine	19·3
Red "	26·8
Pitch "	0·8
Spruce	7·8
Elm	12·0
Oak	1·4
	68·1

The above all charged to cost of vessel, which is wrong to do.

FOR DREDGE No. 26.

Cost of Bucket Chain.

50 steel rock digging buckets	3,975 lbs. each at	6c. per lb		$ 11,925 00
150 cast steel links, bushed with manganese bushes	460 " "	6c. "		4,140 00
100 manganese steel bucket pins, 2 ft. 9¾ in. x 4 in. diameter	130 " "	13c. "		1,690 00
50 manganese steel short bucket pins	60 " "	13c. "		390 00
F.o.b. Sorel	4,625			$ 18,145 00

Approximate Cost of Seating of Main Hoisting Winch.

Approximate weight of plates and angles	22,221 lbs.		
Add for waste	1,333 "		
	23,554 "	at 1·48, say	$ 350 00
Rivets	1,413 "	at 2·50 "	35 00
Boilermakers (= 7½c. per lb)		$1,844 16	
Carpenters		51 98	
Sawmill		3 95	
Mould loft		131 10	
		$2,031 19	
Indirect, say (= 30 per cent)		618 81	
			2,650 00
			$ 3,035 00

DREDGE No. 26.—COST TO DATE, 1st APRIL,

No. 26.	Machine.	Smith.	Boiler.	Cabinet.	Pattern.	Pipe.	Paint.	Yard.	Electric.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Hull	252 80	400 05	28,754 33	14 71	238 81	5 88	2,672 76	1,790 35	391 80
Machinery	840 89	79 27			70 16	6 72		468 44	
Boilers	2 31	275 33	4,734 80		6 00	28 19	2 95	259 69	
Main hoisting winch	2,917 11	462 91	1,844 16		566 43	2 10		242 84	
Main frame	10 87	43 96	4,284 24		37 83	0 69		123 26	
Frame "A"	0 88	0 91	1,519 00		172 44			82 73	
Cleaning sweeping and booming		0 83				0 39		1,037 21	
Bucket ladder	719 60	136 27	1,845 17		35 41			120 99	
Railings	21 42	776 01			0 75	213 24			
Steam and exhaust piping	91 64	7 99			462 87	172 16			
Crew quarters		0 35		38 90		0 82			
Stern winch	669 78	40 31			23 08				
Wooden foundations								170 05	
Scaffolding	3 23	7 25		7 05				221 19	
Ways	4 98	2 73						365 03	
Bucket chain complete	0 58				213 02			2 38	
Upper deck houses		7 70	1,348 44	437 92	8 93			92 69	
Bow cable winch	1,896 07	252 53	1 47		328 46			122 55	
2 breasting winches	2,017 36	201 23	2 18		18 39	5 73	10 73	220 61	
	9,449 52	2,695 63	44,334 79	498 58	2,182 58	435 92	2,686 44	5,320 01	391 80

NOTE.—(Buckets, links, pins and bushes complete contract $18,000 per J. Bridges.)

SESSIONAL PAPER No. 57

1912—(Taken from Cost Department Books.)

Carpenter.	Caulkers.	Teams.	Sawmill.	Mould Loft.	Drafting.	Asbestos.	Sewing.	Total Direct	Indirect.	Material.	Grand Total.
$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
2,216 75	191 78	291 79	242 89	3,888 40	3,307 50	389 74	.....	45,050 34	19,351 07	24,682 73	89,084 14
227 93	.....	21 33	24 70	.....	804 48	.....	.....	2,543 92	1,039 50	354 96	3,938 38
.....	....	26 04	9 00	12 68	135 40	.....	.....	5,492 39	2,504 39	3,126 04	11,122 82
51 98	.....	55 41	3 95	131 10	1,025 08	.... .	.....	7,303 07	3,300 82	5,450 95	16,054 84
.....	.....	29 33	4 93	274 17	451 71	.....	....	5,260 99	2,400 53	2,012 37	9,673 89
.....	.....	14 30	... .	110 87	56 99	.....	.....	1,958 12	752 12	1,054 21	3,764 45
.....	.....	0 68	.....	.....	.....	.....	... ..	1,039 11	267 97	6 56	1,313 64
104 57	.....	30 64	.....	185 19	369 30	.....	.....	3,547 14	1,766 32	3,393 66	8,707 12
.....	.....	0 68	.....	.....	118 58	. .	.....	1,130 68	618 65	348 97	2,098 30
.....	....	..	.....	.....	548 41	.....	.....	1,283 07	654 54	727 67	2,665 28
264 57	.....	3 96	27 45	.....	.....	.. ...	.....	336 05	146 69	391 57	874 31
7 00	.....	....	....	.....	.....	....	.....	740 17	321 15	489 59	1,550 91
156 00	.....	31 19	60 45	.....	.....	.....	.....	417 69	123 85	1,284 90	1,826 44
3,755 74	.....	45 29	45 75	.....	.....	.....	.....	4,085 50	1,492 43	1,628 92	7,206 85
.....	352 80	60 36	33 48	.....	.....	.....	.....	819 38	503 23	642 12	1,764 73
.....	....	.....	.....	.....	19 04	.....	.....	235 02	222 00	43 94	500 96
115 08	.....	14 33	3 49	295 45	.....	.....	....	2,324 03	979 60	1,222 80	4,526 43
18 50	.....	17 62	.....	153 24	581 48	.....	.....	3,371 92	1,636 63	2,221 84	7,230 39
58 38	.... .	29 22	1 70	.....	33 34	.....	.....	2,599 87	1,083 47	3,151 14	6,834 48
6,976 58	544 58	672 17	457 79	5,051 10	7,451 31	389 74	.....	89,538 46	38,964 96	52,234 94	180,738 36

Indirect=43 per cent of Direct cost.

Dredge No. 26.—Cost as above to 1st April	$	180,738
" To finish		97,132
Grand total includes indirect charges and duty	$	277,870
Say		280,000
Appropriation		230,000

(DREDGE No. 26) COST TO COMPLETE FROM APRIL 1ST, 1912.

—	Material.	Labour, Indirect.
	$ cts.	$ cts.
Hull	10,160 00	9,548 00
Machinery	24,510 00	2,320 00
Boilers	610 00	1,275 00
Main frame	600 00	625 00
'A' "	50 00	250 00
Cleaning, sweeping and booming		375 00
Bucket ladder	20 00	1,650 00
Railings	150 00	375 00
Steam, exhaust, feed, heating, water and bilge piping	3,500 00	2,750 00
Crews quarters	150 00	125 00
Wooden foundation		
Scaffolding		
Ways		
Bucket chain, complete	18,100 00	315 00
Upper deck houses	1,500 00	4,125 00
Bow cable winches	10 00	100 00
Lighting system	2,029 00	1,000 00
Auxiliary machinery	3,245 00	65 00
Equipment	7,000 00	
	71,734 00	25,398 00
Labour and indirect cost (=35%)	25,398 00	
Total	97,132 00	

NOTE—The cost of dredging machinery, auxiliaries, (except shoot winch) and the dynamo is included in the above, but they were all fixed on board before the above date.

ESTIMATED PROPER COST OF DREDGE No. 26.

		$ cts.
Invd. Material, plates and shapes (includes bucket ladder and main and 'A' frame and hoisting winch foundations)	620 long tons.	
Add E and B. flooring	8 "	
	628 "	

Plates and shapes, 628 at $ 1.50 per 100=$35.40 per long ton.

		Material.	Lab.	
	628 at 35.40,	22,231,	2½c. per lb.,	31,651=53,882.
Rivets, 5½ p.c.,	35 at 56.00,	1,960,	12c. "	9,380=11,340.
				65,222 00

	$ cts.	
Two stems	500 00	
No quadrant tillers or rudders.		
Blacksmith work, rails, stanchions, davits, &c., 8 tons (18,000 lbs. at 10c)	1,800 00	
Hoisting winch	10,000 00	
Breasting winders (2 off)	6,000 00	
Stern winch	1,200 00	
Bow cable winch	5,400 00	
Shoot "	900 00	
Capstans (2 off)	900 00	
No steering gear.		
Wires and chains for bucket ladder, &c	1,000 00	
Boats (2 off)	600 00	
Castings for deck	800 00	
Cementing	700 00	
Cooking range and utensils	700 00	
Carpenter work	6,000 00	
Clearing up	300 00	
		36,800 00
		102,022 00
W. T. doors (2)	300 00	
Electric light	4,500 00	
Manilla	300 00	
Hose, flags and sundries	200 00	
Joiner work	5,000 00	
Lamps, signal and berth	300 00	

ESTIMATED PROPER COST OF DREDGE No. 26—*Continued.*

Moulds and patterns	3,000 00	
Spars	200 00	
Plumbing	1,800 00	
Painting	2,000 00	
Pump Downton	200 00	
Rigging wire and work, splicing, &c	150 00	
Awnings and covers	250 00	
Steam heating	500 00	
Sidelights	500 00	
Telegraph	300 00	
Ventilation	250 00	
Wires for winches	3,000 00	
Sundries	3,000 00	25,800 00
		127,822 00
Maintenance, 20 per cent		25,564 00
		$ 153,386 00

(DREDGE 26). ESTIMATE OF MACHINERY AND BOILERS.

Dredging machinery includes engines and gearings, wheels, top and bottom tumblers and bearings for same. Bearings and shaft for top end of ladder and small turning gear.		
Fleming and Ferguson's contract (includes duty)		24,190 00
Sorel work, erecting above machinery on ship, &c		1,800 00
Machine shop, general work		2,560 00
Buckets, links, pins &c. (i.e. bucket chain). Contract per Mr. Bridges $18,100. Labour $900		19,000 00
		$ 47,550 00
2 main boilers, smoke boxes, etc		10,600 00
Auxiliaries, pumps, ash ejector, etc		4,000 00
Piping and sundries		6,000 00
		$ 68,150 00
Maintenance 20 per cent		13,630 00
		81,780 00
Hull	$ 153,386 00	
Machinery	81,780 00	
	$ 235,166 00	(say $230,000).
Cost	280,000 00	
Estimated proper cost	230,000 00	
Saving	50,000 00	—18 p.c.

These dredges have been a long time in building and various charges, such as machine shop, blacksmith, boiler-makers, pattern makers, painting, yard, carpenters, caulkers, mould loft and drafting are excessively heavy, and but for the fact that the dredging machinery was purchased cheap, from an outside contractor, the total cost would have been considerably more.

The workmanship on the hull and machinery is very good, but extravagance in weight of material is very apparent throughout and a great want of proper thinking and scheming on the part of the drawing office officials (both hull and machinery). With proper supervision and management, these dredges could be produced at 18 to 20 per cent less cost and be in commission very much earlier, which is a condition worthy of consideration.

NOS. 36 AND 38 TWIN SCREW TUGS NOW BUILDING.

Length B.P. 84 ft. 6 in. O.A. 92-0 x 22-0 x 10-6 moulded.
Frames 3 x 3 x $\frac{1}{4}$ spaced 21 inches.
Reverse frames $2\frac{1}{2}$ x $2\frac{1}{2}$ x $\frac{1}{4}$.
Bulkhead frames, single, $3\frac{1}{2}$ x $3\frac{1}{2}$ x $\frac{7}{16}$.
Collision B.H. frames, single, 4 x 4 x $\frac{7}{16}$.
Floors, $11\frac{1}{2}$ x $\frac{1}{4}$-in., $\frac{5}{16}$ in engine space, and $\frac{9}{16}$ under boilers.
Shell plating, $\frac{5}{16}$ to $\frac{1}{4}$.
Keel plate, $\frac{7}{16}$ to $\frac{3}{8}$.
Centre through vertical keel plate, $\frac{5}{16}$.
Centre through vertical keel angles, 3 x 3 x $\frac{1}{4}$.
Side keelson, double angles, 3 x 3 x $\frac{1}{4}$.
Side stringer, double angles, 3 x 3 x $\frac{1}{4}$.
Beams, $4\frac{1}{2}$ x 3 x $\frac{5}{16}$ on every frame.
Bulkheads, $\frac{1}{4}$-in.
Bulkhead stiffeners, $4\frac{1}{2}$ x 3 x $\frac{5}{16}$ space 30 inches.
Rivets all $\frac{5}{8}$ except flat plate keel, which will be $\frac{3}{4}$-in.
Rivets, spacing to Lloyds.

We overhauled this tug with Mr. Terreault, 22nd March, and asked him the reason for the following:—

Why are frames and reverse frames riveted together instead of a single bar?

Why have set floors on every frame from end to end of the boat when straight floors would do?

Why have keelsons made of double angles riveted back to back when a single bar would answer the same purpose?

Why the floors are punched out of solid plates instead of furnacing them, if they must run up the bilges?

Why the stem is made in three different pieces all welded together? The top part is a steel forging, the fore foot part is cast steel and the web end is made of steel plate—(a single rolled steel bar all in one piece would answer the purpose, and is universally adopted).

The sternpost is made of cast steel and the keel part is fancy shaped to suit the run of the waterlines, and the forward part is dished out. (Most absurd).

Bulkhead frames are close double riveted.

The connections of keelsons to bulkheads are excessively large.

The coal bunker walls are stiffened with $3\frac{1}{2}$ x 3 angles spaced same as the main frames and carried down over the bottom bar and tapered slips fitted—(stupid to do such things). The bunkers are quite narrow—the walls are far too heavily constructed.

Shell plate butts are strapped and double riveted while they ought to be lapped—this makes a better job, less weight of material and fewer rivets.

The watertight bulkhead collars over keelsons, &c., are made of cast steel, a thing we have never come across in all our career. It means making a separate pattern for each, and steel castings are not easily got in this country. The cost of a steel casting as against an angle smith job is prohibitive.

Anywhere you look over this tug everything seems to have been designed to cost the most money.

Certainly those responsible do not know their work and are not modern shipbuilders. Money is flung away right and left.

To all these questions, Mr. Terreault blamed other people, especially a man Bourgeois, who has gone seven months ago and was here four years, and that it was a case of use and wont. We think it is a case of want of knowledge all round, not looking into matters and considering the cost and modern ways of working. They are simply years behind in their methods and no one knows any better.

(We were told by Mr. Terreault that the cost up to date including engines and boiler, wood work, &c., was $19,000, and we were pleased as this looked reasonable; but to-day we are told that on further investigation the cost is over $30,000).

Even 3-in. limber holes in keelsons are drilled instead of being punched out.

Sidelights are punched out and dressed.

No attempt made at joggling, scraping, flanging, &c., which is all against good modern practice (and no piece work).

A case of gross insubordination came under our notice when overhauling this tug. A riveter or a rivet heater, don't know which, immediately we passed commenced to sing and kept howling at the pitch of his voice. We asked Mr. Terreault, who was with us, what he did in a case of that kind (the man was evidently drunk)? He said he could do nothing except report to Mr. Papineau. That man, to give him his deserts, should have been fired on the spot by Mr. Terreault, as it is impossible for him to have any command over the men if they can do such things right in his face. On Mr. Terreault reporting to Mr. Papineau what the man was doing (and that we had said if the yard was ours he would have been fired in two minutes), he was not paid for the afternoon.

It is quite apparent that Mr. Terreault has no command and no authority to interfere in any way.

Riveters work four in a gang, instead of three, one man is always idle—asked the reason and were told it was simply the custom.

—	No. 38.	No. 36.
Material ordered	October 8, 1910.	September 26, 1910.
Material commenced to come to hand	February, 1911.	February, 1911.
Commenced to build	July 21, 1911.	July 21, 1911.
Will launch	May, 1912.	June, 1912.
Finish	June 15, 1912.	August 15, 1912.
Are engines on board?	Yes.	No.
Are boilers on board?	Yes.	No.
Cabin work	Well advanced.	None.

The above statement was got from Mr. Terreault and Mr. Bridges, 23rd March, 1912.

We are informed the building of these boats was not pressed, sometimes only a few men employed.

It appears to us hanging so long over a job and changing the few men there were that the men will be disheartened and simply plod along killing time.

As to the question of cost—it has been a most difficult matter to get figures, and after we do get them we are not sure about their being correct—however, in the case of the tug we have investigated as far as possible, and find that No. 38 will cost when finished $40,000, our estimate of the cost, allowing the same weight of material as they have (which is too high) and ample for government class of work, is $30,000.

There seems to be no regard taken as to efficiency and location of material, due to strength, &c.

The same remarks apply to both hull and machinery, many of the patterns are old fashioned and very heavy—a lot of them should be destroyed.

BOILERS FOR TUGS NOS. 36 AND 38.

Single ended Scotch boiler, 11 ft. 10 in. inside x 10 ft. 0 in. long.
Two furnaces corrugated, 'Brown's' cambered withdrawable ends.
Diameter inside corrugation, 3 ft. 4 in., $\frac{1}{2}$ thick.
Thickness of shell, $\frac{15}{16}$ in.

Size of rivets, longit. joint, $\frac{7}{8}$-in., circum., $1\frac{1}{8}$ in.
How many plates in the round, 2.
How many plates in the length, 1.
No. of tubes, 136 plain 8 W.G. thick x 7 ft 0 in. long.
No. of tubes, 58 stay tubes $\frac{5}{16}$ thick x 7 ft. 0 in. long.
Heating surface. Total, 1,209 square feet.
Grate area, 36 square feet.
Working pressure, 150 lbs. per square inch.
Hyd. test, 225 lbs.
Grates, patent shaking grates, 5 ft. 6 in. long.
Funnel—(inner) 3 ft. 0 in. dia. x 22 ft. 0 in. high above smoke box.
(outer) 4 ft. 0 in. diam. x 21 ft. 6 in.
Weight of both complete, 3,850 lbs (estimated).
Weight of boiler (bare), 24 tons (estimated). (i.e., steel plates and rivet heads).
Weight of smoke box, 1,950 lbs (estimated).

BOILER MOUNTINGS.

3-in. double spring safety valve.
(2) Main steam stop valves, $3\frac{1}{2}$ bore.
Aux. steam, $2\frac{1}{2}$-in.
Steam to whistle, $1\frac{1}{2}$ in.
Steam to injector, $1\frac{1}{4}$ in.
Steam to heaters (cabin), $1\frac{1}{4}$ in.
Gauge glass, 1-in. Steam and water connection.
(2) Feed check valves. 2-in. combined globe and check.
Bottom blow-off, 2-in. cock.
Main steam pipes copper.
All the other connection are iron (practically).
Feed pump, duplex, vert. $5\frac{1}{4}$-in. x $3\frac{1}{2}$-in. x 6-in.
General service pump, duplex horiz., 6-in. x 4-in. x 6-in.
Sanitary pump, duplex horiz., 3-in. x 2-in. x 4-in.

TWIN SCREW ENGINES FOR CONSTRUCTION NO. 36 AND 38.

Description—

Inverted compound two crank jet condensing engines.
Size: H.P. 11-in. diam. L.P. 22-in. diam.
Stroke, 18-in.
Piston valve for H.P.
Slide valve for L.P.
Steam and hand reversing gear.
Edward's air pump, feed and bilge pump, are worked by lever from L.P. cross-head.
Back and front columns, cast iron.
Diam. of propeller shaft, $5\frac{1}{2}$-in.
Diam. of crank shaft, $5\frac{3}{8}$-in.
Length from thrust to propeller, 19 ft. 0 in. to cr. of propeller. (Thrust shaft not included).
Length of thrust shaft, 3 ft. 9 in. x $5\frac{1}{2}$-in. diam (4 collars $12\frac{1}{2}$ diam.)
Propellers cast iron, solid, 4 blades, diam, 6 ft. 0 in., pitch 8 ft. 6 in.
Revolutions of engines, 160.
I.H.P., 350 collective.

TUGS Nos. 36 AND 38.—INVOICED WEIGHT OF MATERIAL.

	Long tons.	
Steel plates	58	
Steel angles	20	
	78	
Rivets	4	7¼ tons were charged against the boat.
Invoiced material	82	
Deduct scrap	6	
Net weight of steel	76	long tons.
Net weight of steel	76	tons.
Smith's iron	2	"
Castings	2	"
Woodwork	8	"
Anchors, chains and windlass	5	"
Outfit, boats, &c	11	"
	104	"
MACHINERY—		
Boiler complete	28	
Water in boiler	12	
Engines	18	
Propellers, piping, &c.	8	
	66	"
Equipped weight of hull	170	"
Deadweight	30	"
Displacement to 6'-3" draft	200	"

COST UP TO DATE OF CONSTRUCTION No. 38—(MARCH 23RD, 1912).

84'-6" B.P. x 22'-0" x 10'-6"

Description.	Dir. Cost.	Ind. Cost.	Material.	Total.	
	$ cts.	$ cts. %	$ cts.	$ cts.	
Hull	9,262 75	2,823 89=30	3,881 70	15,968 34	
Machinery	797 73	169 28=21	5,686 43	6,653 43	
Boiler, smoke box and funnel	2,422 60	847 57=35	1,129 53	4,398 70	
Deck house	700 05	192 73=27	272 17	1,164 95	
Scaffolding, block and ways	869 03	309 85=35	249 45	1,428 33	
	14,052 16	4,343 52	11,219 20		
Total					$ 29,613 75

ESTIMATED COST TO FINISH CONSTRUCTION No. 38 (FROM MARCH 23RD, 1912.)

Description.	Labour.	Material.	Total.	
	$ cts.	$ cts.	$ cts.	
Hull, deck and launching	1,000 00	500 00	1,500 00	
Machinery	1,225 00	3,200 00	4,425 00	
Steam and exhaust piping	600 00	2,000 00	2,600 00	
Steam heating	100 00	60 00	160 00	
Equipment (galley, plumbing, and deck of engine room)	680 00	720 00	1,400 00	
Total to finish				$ 10,085 00
Total				$ 39,698 75

Hull	$ 15,968 34	
"	1,500 00	
		$ 17,468 34
Deck house		1,164 95
Scaffolding and ways		1,428 33
Steam and exhaust piping		2,600 00
Steam heating		160 00
Equipment (galley, plumbing and deck of engine room)		1,400 00
Hull		$ 24,221 62
Machinery	$ 6,653 43	
	4,424 00	
		11,077 43
Boiler		4,398 70
		$ 39,698 75

ESTIMATE OF PROPER COST OF TUG No. 38.

84'-6" B.P. x 22'-0" x 10'-6"

——	Material.	Labour.	Total.
Steel plates and shapes, 78 long tons, $35.40	2,750 at 2c.	$ 3,494	$ 6,224
Rivets, 4 long tons, $56.00	224 at 10c.	896	1,120
			$ 7,344
Moulds and patterns		250	
Castings		100	
False work		200	
Painting		1,000	
Windlass, anchors and chains		200	
Launch		200	
Carpenter		1,500	
Joiner		1,000	
Electric light		1,000	
Stern post and rudder		300	
Steering gear		100	
Boat and davits		250	
Cementing		100	
Cooking range, utensils, lamps, &c		300	
Cleaning up		100	
Spars		50	
Plumbing		150	
Covers, steam heating, &c		200	
Sidelights		100	
Telegraph		100	
Sundries		200	
			7,400
			$ 14,744
Engines			4,600
Boilers			3,500
Piping			1,000
			$ 23,844
Maintenance, 20 p.c			4,756
(Say $30,000)			$ 28,600

Cost	$ 40,000 00	Deck plan Longitudinal section } Attached. Midship section
Estimated proper cost	30,000 00	
Savings	$ 10,000 00=25 p.c.	

WOOD DUMP SCOWS.

CONSTRUCTION NO. 34.

It appears to us that building wood dump scows is a mistake financially (there may be reasons why they should be of wood which we do not know), but at any rate these scows are being built by the foreman carpenter, Mr. Nap. Bateau, who seems to do so in his own way; no one knows anything about how they are being built but himself. We think they are excessively heavy in construction.

The dimensions are 94 ft. 0 in. x 26 ft. 0 in. x 9 ft. 0 in., and they cost each $15,770 launched complete ready for work.

The same scows built in steel would cost $12,930, showing a difference of $2,840.

(To prove that this statement is correct we know two scows that were built in steel of very heavy construction, equal to Lloyds for scantlings and riveting, with all outfit complete 130 ft. 0 in. x 30 ft. 6 in. x 10 ft. 0 in., actually cost $14,725 to build).

Steel makes a better scow and is 50 tons lighter, carries at least 50 tons more spoil all the year round. The lifetime of a steel scow will be twice that of a wood one.

The only thing in favour of a wood scow is stranding and knocking about, but steel scows can be protected by fenders to withstand anything and are altogether better in every way.

These figures show for themselves our contention as to the cost of wood dump scows built here; two are finished and away and four more are in hand now.

There are a lot of elderly men working in a leisurely way, and as they move about they have wind screens, they move with them; and a very hot stuffy store place where two men are kept spinning oakum and keeping the stove burning. A great deal of time seems to be spent in this store, it is so comfortable.

The steel scow would float a great deal lighter and therefore carry more spoil.

Mr. Papineau explains that one reason for building wood scows is to have work to keep carpenters on hand in summer for slipping vessels and repairs, also that they stand stranding and knocking about better. We think that very questionable, as steel scows can be protected to any extent, and in modern practice wood scows are not built —this pertains the same in the old wooden ships days and the present day "all steel." Wood scows get very heavy and sodden in time, and are therefore worse to handle and more costly to tow.

All labour is done by hand, they don't even have a band saw or a boring tool except at odd times the assistance of an air boring machine.

CONSTRUCTION

Cost of two Wood Dump Scows

Carpenter.	Caulkers.	Teams.	Saw Mill.	Drafting.	Total Direct.	Indirect.	Material.	Grand Total.
$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
.....	.....	.....	.....	230 58	230 58	85 76-37%	.....	316 34
59 53	.....	0 68	.....	.....	76 66	25 39-33%	0 12	102 17
110 15	.....	31 04	.....	36 15	1,778 26	787 73-44%	3,392 86	5,958 85
4,919 29	1,340 29	118 53	393 24	.....	7,967 61	2,952 74-37%	13,457 18	24,377 53
.....	222 70	28 77	.....	.....	338 02	114 33-31%	332 46	784 81
.....	.....	0 68	.....	.....	1 08	0 53	.....	1 61
							Total	31,541 31
					10,392 21	3,966 48	17,182 62	cost of two (15,770 65 each.)

Mean, 38%.
Appropriation $14,000 each.

No. 34.

= 94′ — 0″ × 26′ — 6″ × 8′ — 6″.

—	Machine.	Blacksmith.	Boiler.	Cabinet.	Pattern.	Pipe.	Paint.	Yard.	Electrical.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Plans No. 34 C. 1223									
Blocks (keel) 1378								16 45	
*Hydraulic arrangement. 1404	818 95	119 18	163 29		56 48	19 60		423 42	
†Hull, 1430	66 15	565 53	37 40	4 80		50	75 95	439 93	
Launching, 1526	4 06	2 48						80 01	
Equipment, 1701								0 40	

* Includes 1 hand winch, 1 anchor, door gear, shafting, chains, &c. (Hydraulic pump is on tug).
† Includes doors, door mountings, bolts, oakum, pitch, fairleads and iron knees.

WOOD AND STEEL SCOWS COMPARED—54 FEET 0 INCHES X 26 FEET 6 INCHES X 8 FEET 6 INCHES.

	Wood.	Steel.
Weight of hull	150	100 tons.
Draft (light)	about 3 ft. 6 in.	2 ft. 6 in.
Capacity of hoppers		200 cu. yds. 235 cu. yds.
Draft (loaded)	about 7 ft. 9 in.	7 ft. 9 in.

Would propose to make the hopper 9 inches wider than on drawings.

	Long Tons.	
Plates	106,000	calculated weight.
Angles	41,864	" "
	147,864	
Add scrap 6 per cent	8,870	
	156,734	—Invoiced weight plates and angles.
Add rivets 5 per cent	7,836	
	164,570 lbs.	total invoiced material.

ESTIMATE OF COST.

Long Tons.	Material.	Labour.	
Plates and angles 70 tons at $37.00	$2,590 00 at 1½c.	$2,352 00	= 4,942 00
Rivets 3½ " at 56.00	196 00 at 10c.	784 00	980 00
			5,922 00
Moulds		200 00	
Castings		100 00	
False work		350 00	
Painting		350 00	
Door hinges, bolts and links		300 00	
Chains and shackles, bolts, &c		550 00	
Launching		200 00	
Scow doors and lining and well		450 00	
Fenders		250 00	
Dumping device		2,000 00	
Sundries		100 00	
			4,850 00
			10,772 00
Miscellaneous 20 per cent			2,158 00
			$ 12,930 00

Displacement of steel scow—

2 ft. draft $\frac{78 \times 26\text{-}5 \times 2}{36} + \frac{70 \times 9 \times 2}{36}$ ..... 80 tons.

Add for 1 ft. more draft..... $\frac{82\text{-}5 \times 26\text{-}5 \times 1}{36} + \frac{70 \times 8\text{-}8 \times 1}{36}$ = 44 tons.

Add for 6 " ..... 22 "

102 tons.

Light draught of steel scow 100 tons—say—2 ft. 6 in.
" " wood " 150 " " 3 ft. 6 in.
7 ft. 9 in. draft.

$\frac{85 \text{ ft.} \times 26 \text{ ft. } 5 \text{ in} \times 7\text{·}75 \text{ ft.}}{36} + \frac{70 \times 9 \times 2}{36}$ ..... 450 tons.

Steel scow ..... 100 "

Deadweight ..... 350 tons.

450 tons.

Wood scow ..... 150 "

Deadweight ..... 300 tons.

Steel scow 350 tons at 30 cwt ..... 235 cu. yds.
Wood " 300 " 30 " ..... 200 "

Total wood in present scows ..... 75,000 B.M.

Wood scow cost	$ 15,770 00	
Steel " "	12,930 00	
Difference in cost due to steel	$ 2,840 00	= 18 p.c.

RECAPITULATION OF BUILDING COSTS.

Construction Number.	Kind of Construction.	Yard Cost.	Estimated Proper Cost.	Difference.
		$	$	$
21	Lighthouse tender	336,692	240,000	96,692 29 p.c.
26	Elevator dredge	280,000	230,000	50,000 18 p.c.
38	Tug	40,000	30,000	10,000 25 p.c.

	In Wood.	In Steel.	
Wood Scows—v—Steel	15,770	12,930	2,840

($159,532.00=Total difference)

SOREL SHIPYARD—SALARIES.

	February, 1911.	February, 1912.
	$ cts.	$ cts.
L. G. Papineau, director	250 00	250 00
M. A. Baril, accountant	150 00	
L. Lacouture, accountant		150 00
F. A. Cote, chief electrician	141 66	141 66
H. A. Terreault, superintendent	175 00	175 00
OFFICE.		
H. Emery, secretary	100 00	100 00
O. Cardin, asst. accountant	45 00	60 00
J. Peloquin, clerk (typist director's office)	40 00	45 00
A. Desautels, messenger		0 60
TIME KEEPER.		
O. Champagne, time keeper	100 00	
A. Lussier, time keeper		100 00
W. Archambault, assistant, P. Boucher, later	1 45	1 75
A. Magnan, messenger	0 60	
COST DEPARTMENT.		
J. U. Latraverse, cost clerk	60 00	85 00
J. E. Rajotte, clerk	60 00	60 00
J. A. Prudhomme, clerk	38 33	45 00
H. Chapdelaine, clerk	1 45	40 00
J. Lanciault, clerk	1 20	40 00
STORE.		
N. Masse, storekeeper	85 00	
H. Chamberland, storekeeper		85 00
A. Lalonde, clerk	85 00	
H. Yergeau, clerk		85 00
C. A. Pelletier, clerk	80 00	
Art. Cote, checker	3 00	
R. Mayer, checker		80 00
E. L. Foy, clerk	55 00	55 00
T. Boudreau, clerk	55 00	55 00
P. Vandal, clerk	2 10	2 15
R. Lavallee, clerk	1 80	1 80
A. Paulhus, clerk	1 60	1 60
A. Beaudreau, clerk	1 60	1 60
J. D. Plamondon, clerk	1 20	33 00
DRAUGHTSMEN.		
J. P. Hereux, chief draughtsman	125 00	125 00
Fred Bridges, draughtsman	116 66	116 66
Jas. Deans, draughtsman	116 66	116 66
H. Dubuc, draughtsman	110 00	
A. Chartier, draughtsman		80 00
C. E. Houston, draughtsman	100 00	100 00
Au. Rondeau, draughtsman	85 00	
J. Lacouture, draughtsman		50 00
D. Lamarche, draughtsman	80 00	80 00
C. R. Blais, draughtsman	2 25	70 00
L. Deguise, draughtsman	1 75	50 00
H. Pontbriand, draughtsman	0 90	
G. Francœur, draughtsman		33 00
G. Francœur, draughtsman	0 80	
L. Turcotte, draughtsman		40 00
H. Johnston, draughtsman, clerk		1 45

SOREL SHIPYARD—SALARIES—*Continued.*

	$ cts.	$ cts.
WATCHMEN.		
R. Lamoureux, watchman	2 00	
C. Trempe, watchman		2 00
J. Aussant, watchman	1 80	1 80
J. Lange, watchman	1 75	1 75
A. Peloquin, watchman	1 75	1 75
H. Girouard, watchman	1 75	1 75
F. Bellerose, watchman	1 75	
A. Langlais, watchman		1 75
N. Laroche, watchman		1 75
SEWING ROOM.		
Mrs. C. Peloquin	1 00	
Mrs. D. Charbonneau	1 00	1 00
Mrs. C. Paul	1 00	1 10
Mr. L. Lachapelle	1 60	
STABLES.		
R. Lanciault, stableman	1 60	1 60
H. Mongeon, helper	1 45	
Nap. Paul, helper		1 45
FIRE HOLD No. 1.		
Z. Desrosiers, fireman	1 75	1 75
SUNDRIES.		
E. Merry, cleaner	1 60	1 60
G. Paul, helper	1 60	1 60

Name.	Occupation.	Salary.
		$ cts.
Mr. F. A. Cote	Chief electrician	141 66 per month.
" N. Badeau	Foreman of all working depts	120 83 "
" J. Bilodeau	" Machine shop	116 66 "
" J. Braconnier	" Boiler shop	108 33 "
" S. Chateauvert	" Blacksmith shop	95 00 "
" L. Cofsky	" Mould loft	95 00 "
" J. Langlois	" Pipe shop	95 00 "
" O. Gauthier	" Pattern shop	95 00 "
" A. Gendron	" Yard men	90 00 "
" A. Payette	" Paint shop	85 00 "
" E. Lachapelle	" Sawmill	80 00 "
" H. Legault	" Asbestos department	2 90 per day.

Mr. J. Langlois took charge of the pipe shop on January 2, 1912. The foreman before was Mr. Ed. Gauthier.

Mr. A. Payette took charge of the paint shop on January 2, 1912. The foreman before him was Mr. J. B. Page.

SALARIES NOT DISTRIBUTED.

BLACKSMITH SHOP—
- No. 76 S. Chauteauvert.....Foreman.
- " 89 D. Lussier.....Clerk.
- " 93 P. Chevalier.....Small steam hammer.
- " 94 J. Hayden.....Big steam hammer.

BOILER SHOP—
- No. 1001 J. Braconnier.....Foreman.
- " 1050 W. Douaire.....Clerk.
- " 1021 A. Boucher.....Pneu. tools.

CABINET SHOP—
- No. 208 J. Paul.....Clerk.

CARPENTER SHOP—
- N. Nadeau.....Foreman.
- S. Minard.....Clerk.

ELECTRICAL SHOP—
- No. ... F. A. Cote—.....Foreman.
- " 536 R. Thibodeau.....Clerk.

SALARIES NOT DISTRIBUTED—*Continued.*

MACHINE SHOP—
No. 1 J. Bilodeau ..... Foreman.
" 53 E. Duplessis ..... Repairing tools (small tools).
" 65 A. Goulet ..... Labourer (sweep and clean)
W. Casanbon ..... Assistant tools time

PAINT SHOP—
No. 276 A. Payette ..... Foreman.
" 304 A. Lavallee ..... Clerk.

PATTERN SHOP—
No. ... O. Gauthier ..... Foreman
" 133 W. Lirette .....
" 134 E. Bellerose ..... Clerk.

PIPE SHOP—
No. 1514 J. Langlois ..... Foreman.
" 1548 A. Disorcy ..... Clerk.

SAW MILL—
No. 222 E. Lachapelle ..... Foreman
" 220 A. Lesieur ..... Clerk.

YARD—
No. 601 A. Gendron ..... Foreman.
" 634 A. Joubert ..... Clerk.
" 620 P. Ethier ..... Messenger.
" 653 S. Huard ..... "

STABLES—
R. Lonciault ..... Stableman.
N. Paul ..... "

FIRE HOLDS NOS. 1 AND 2—
No. 69 N. Charron ..... Fireman.
" —— Z. Desrosiers ..... "
" 1184 J. Longe ..... "
" 125 E. Chevalier ..... "
" 112 J. Joly ..... "
" 665 E. E. Chevalier ..... "

POWER HOUSE—
No. —— F. A. Coté ..... Chief electrician.
" 527 J. Bonin ..... Electrician.
" 532 E. Rochette ..... "
" 538 C. Lavalee .....

SOREL SHIPYARD—RATE OF WAGES PAID, (ANY WORK, FOR TEN HOURS.)
MARCH, 1912.

Machinists	From $1.70	to	$3.10	per day of 10 hrs.		Foremen,	$4.67	per day
" helpers	" 1.25	"	2.00	"	"			
Turners	" 1.75	"	2.50	"	"			
Fitters	" 1.60	"	2.25	"	"			
Pattern makers	" 2.10	"	2.75	"	"	"	3.80	"
Moulders								
Electricians	" 1.70	"	2.20	"	"	"	3.25	"
Pipe fitters	" 1.75	"	3.00	"	"	"	3.80	"
Joiners	" 1.75	"	2.40	"	"	"	2.75	"
Blacksmiths	" 2.00	"	3.00	"	"	"	3.80	"
" helpers	" 1.60	"	1.75	"	"			
Boiler makers	" 1.75	"	2.75	"	"	"	4.25	"
Carpenters	" 1.75	"	2.25	"	"	"	4.85	"
Mould loft carpenters	" 1.75	"	2.00	"	"	"	3.80	"
Ship platers	" 1.60	"	1.80	"	"	"	2.70	"
Painters	" 1.55	"	2.10	"	"	"	3.40	"
Chippers	" 1.60	"	1.65	"	"			
Caulkers	" 1.75			"	"	"	2.70	"
Drillers	" 1.60	"	1.75	"	"			
Reamers	" 1.60	"	1.75	"	"			
Riveters	" 1.60	"	1.90	"	"			
Holders on	" 1.45	"	1.60	"	"			
Heaters	" 0.50	"	1.00	"	"			
Helpers	" 1.35	"	1.60	"	"			
Boys	" 1.00	"	1.25	"	"			
Sawmillers	" 1.40	"	1.70	"	"	"	3.20	"
Apprentices	" 0.50	"	1.25	"	"			
Watchmen	" 1.75	"	2.00	"	"			
Firemen	" 1.60	"	1.75	"	"			
Labourers	" 1.35	"	1.70	"	"	"	3.60	

Overtime, 1½ time after hours; double time Sunday; no piece work.

SUMMARY SHOWING THE NUMBER OF EMPLOYES

MARCH 16-31,

Department.	Foreman.	Foreman's Wages.	Number of men.	$3.40.	$2.25.
Asbestos	H. Legault	$ 2.90 day.	22	..	..
Blacksmith	S. Chateauvert	95.00 month.	35	..	..
Boiler shop	J. Braconnier	108.33 "	298	..	..
Drafting	J. P. Heroux	125.00 "	11	..	..
Electrical	(See below)	..	14	..	1
Machine shop	J. Bilodeau	116.66 month.	107	..	..
Mould loft	L. Cofsky	95.00 "	13	..	..
Paint shop	J. A. Payette	85.00 "	58	..	..
Pattern shop	O. Gauthier	95.00 "	11	..	..
Pipe shop	J. Langlois	95.00 "	28	1	..
Yard shop	A. Gendron	90.00 "	160	..	..
Carpenters shop	M. Badeau	120 83 "	93	..	..
Caulkers	..	..	19	..	..
Sawmill	E. Lachapelle	80.00 month.	26	..	..
		1,181.22	895	1	1

GENERAL STAFF.

		$ cts.
L. J. Papineau, director	monthly.	250 00
L. Lacouture, accountant	" .	159 00
H. A. Terreault, superintendent	" .	175 00
F. A. Cote, electrical chief	" .	141 66
		$ 716 66

OFFICE STAFF.

		$ cts.
O. Cardin, assistant accountant	month.	60 00
A. Lussier, timekeeper	" .	100 00
R. Boucher, assistant timekeeper	day.	1 75
A. Desnantels, messenger	" .	0 60
H. Emery, director's assistant	month.	100 00
J. Peloquin, typist	" .	40 00

GENERAL.

			$ cts.
C. Trempe	watchman	day.	2 00
J. Lange	"	" .	1 75
J. Aussant	"	" .	1 80
A. Peloqin	"	" .	1 75
H. Girouard	"	" .	1 75
A. Langlois	"	" .	1 75
N. Laroche	"	" .	1 75
R. Lanciault	stableman	" .	1 60
N. Paul	helper	" .	1 45
Mad. Charbonneau	sewing	" .	1 00
Mad. J. Paul	sewing	" .	1 10
G. Paul	..	" .	1 60
E. Merry	..	" .	1 00
J. Desrosiers	fireman	"	1 00

IN EACH DEPARTMENT ALSO DAILY RATES PAID.

1912.

$3.10.	$2.90.	$2.70–$2.75.	$2.60.	$2.50.	$2.25–$2.30.	$2.20.	$2.15.	$2.10.	$2.00.	$1.95.	$1.90.	$1.85.	$1.80.	$1.75.	$1.70.	$1.60.	$1.55.	$1.50.	$1.40.	$1.35.	$1.30.	$1.25.	$1.10.	$1.05–$1.00.	90cts.	80cts.	$1.45.	70cts. and 75c.	60cts.	50cts.–55cts.	$3.00.	$2.40.	$2.05.	$1.65.	—
..	1	..	..	1	..	..	..	..	..	..	..	..	..	9	..	5	1	..	..	4	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1	..	..	2	1	1	..	..	2	2	..	3	2	..	6	1	9	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..
1	..	3	1	5	1	..	4	..	7	..	11	3	2	30	11	47	..	9	12	67	..	5	..	..	..	..	1	..	..	1	1	1	..	..
..	..	..	..	..	..	1	..	2	1	..	2	..	..	1	4	1	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..
1	5	3	2	3	4	1	2	2	7	5	8	1	..	6	5	6	1	6	9	5	1	3	2	..	..	..	..	..	..	..	..	..	..	..	..
..	..	1	..	..	1	..	..	..	1	..	2	..	..	6	..	1	..	..	..	..	..	..	..	1	5	2	5	1	1	3	..	..	..	..	..
..	..	..	..	..	..	..	..	9	2	..	12	4	..	13	2	..	10	..	..	2	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..
..	..	1	..	..	1	..	2	3	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	2	..
..	..	5	..	1	..	1	..	1	..	1	1	..	..	4	..	3	..	1	..	3	..	..	..	..	1	..	..	..	..	..	..	1	..	..	..
..	..	..	..	..	2	..	..	..	..	..	..	..	..	1	8	12	..	4	..	118	..	..	..	..	..	..	1	1	..	2	..	..	..	1	..
..	..	1	..	4	2	..	..	3	2	..	7	..	..	64	..	3	1	1	..	1	..	..	1	..	..	..	14	..	..	..	..	..	..	..	..
..	..	1	..	..	..	..	..	..	..	..	..	..	..	16	..	1	..	..	..	1	..	..	..	..	..	..	..	..	..	1	..	..	..	1	..
..	..	..	..	..	..	..	1	..	2	..	2	..	..	3	..	2	2	2	6	3	..	..	..	..	..	..	2	..	..	..	..	..	..	..	..
3	6	15	5	15	12	3	9	22	24	6	48	10	2	159	31	90	15	23	27	205	1	9	4	4	10	3	65	8	9	15	3	4	1	6	=874

Drafting	11
Foreman	10
	895
General staff	4
Office staff	6
Stores	12
Cost department	6
General	14
	937

STORES.

		$ cts.
H. Chamberland, storekeeper	monthly	85 00
R. Mayer, rec. clerk	"	80 00
C. A. Pelletier	"	80 00
T. Boudreau	"	55 00
L. E. Foy	"	55 00
D. Plamondon	"	33 00
Pierre Vandal	day	2 15
A. Paulhus	"	1 60
A. Parenteau	"	1 60
L. Peloquin	"	1 40
A. Forcier	"	1 40
R. Lavallee	"	1 80

COST DEPT.

		$ cts.
W. Latraverse, chief clerk	monthly	85 00
J. E. Lajotte clerk	"	60 00
J. P. Prudhomme "	"	45 00
J. Lanciault "	"	40 00
H. Chapdelaine "	"	40 00
H. Yergeau "	"	85 00

SUMMARY SHOWING THE NUMBER OF EMPLOYEES IN

March 16-31, 1911. (Daily Rates of Employees

Department.	Foreman.	Foreman's Wages.	Number of Men.	$3.40.	$3.20.	$3.10	$3.00.	$2.90.	$2.75.	$2.60.	$2.50.	$2.40.	$2.25.	$2.20.	$2.15.
Asbestos	H. Legault	$ 2.90 day	12					1			1				
Blacksmith	S. Chateauvert	95.00 month	38			1			1	2	1	1	1		
Boiler shop	J. Braconnier	108.33 "	272					1			1	7			2
Drafting	J. P. Heroux	125.00 "	10										1		
Electrical	(See below)		16				1							2	
Machine shop	J. Bilodeau	116.66 "	89				2		5	2	2	1	5		
Mould loft	L. Cofsky	3.40 day	13	1								1			
Paint shop	J. B. Page	85.00 month	63												
Pattern shop	O. Gauthier	95.00 "	13						1		2	1	1		2
Pipe shop	Ed. Gauthier	95.00 "	33			2			5						
Yard shop	A. Gendron	90.00 "	169												
Carpenter shop	N. Badeau	120.83 "	97										5		
Caulkers			23								1				
Saw mill	E. Lachapelle	80.00 "	27												2
			875	1		3	3	2	12	4	8	11	13	2	6

GENERAL STAFF.

L. G. Papineau	Director	$ 250 00	
A. Baril	Accountant	150 00	
F. A. Cote	Electrician	141 66	
		541 66	

OFFICE STAFF.

O. Cardin	Asst. accountant	$ 45 00	
G. Champagne	Timekeeper	100 00	
H. A. Terrault	Supt. of Ways	175 00	
H. Archambault	Asst. timekeeper	1 45	day
A. Magnon	Messenger	60	"
H. Emery	Director's sec'y.	100 00	month
J. Peloquin	" typist	40 00	"

STORES.

Norman Masse	Storekeeper	$ 85 00	month
C. A. Pelletier	Clerk	80 00	"
A. Cote	Rec. clerk	3 00	day
A. Lavallee	"	1 80	"
A. Paulhus	"	1 60	"
A. Beaudranet	"	1 60	"
P. Vandal	"	2 10	"
T. Boudreau	"	85 00	month
A. Lalande	"	85 00	"
E. Foy	"	55 00	"
J. D. Plamondon	"	1 20	day

EACH DEPARTMENT, ALSO THE DAILY RATES PAID.

Wages as per Time Book.)

$2.10.	$2.05.	$2.00.	$1.90—$1.95.	$1.85.	$1.80.	$1.75.	$1.70.	$1.65.	$1.60.	$1.55.	$1.50.	$1.45.	$1.40.	$1.35.	$1.25.	$1.05--1.10-1.15.	$1.00.	90 cents.	80 cents.	75 cents.	70 cents.	60 cents.	50 cents.	$125 month.	$120.83.	$116.66.	$95.	$90.	$85.	$80.	$100.	$110.	$108.33.	
..	..	..	..	..	..	1	..	..	..	..	..	1	..	7	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	12
2	1	2	1	3	..	5	2	1	11	..	1	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	38
..	1	4	7	3	1	33	13	..	42	3	4	34	1	77	3	1	3	4	3	2	5	2	14	..	..	..	..	..	..	..	..	..	..	1	272
..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	1	..	2	..	..	1	1	1	1	..	10
2	..	1	3	..	..	1	4	..	1	..	..	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	16
2	..	8	3 2	5	..	9	5	..	8	..	2	8	1	3	..	2	1	3	2	..	3	2	2	..	..	1	..	..	..	..	..	..	..	89
..	..	2	1	..	..	7	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	13
..	..	4	4	..	..	4	8	14	..	10	..	..	..	17	1	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	63
2	..	..	..	..	..	..	..	1	..	1	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	1	..	..	..	..	..	13
..	..	1	2 2	2	2	3	1	1	3	..	2	..	..	2	..	..	..	..	..	1	1	1	1	..	..	..	1	..	..	..	..	..	..	33
..	..	3	..	..	..	1	1	..	6	2	7	4	26	118	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	..	..	169
2	..	2	7	..	..	63	..	3	7	2	..	1	..	3	..	..	..	..	..	..	1	..	..	1	..	..	..	..	..	..	..	..	..	97
..	..	..	..	..	..	18	..	1	3	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	23
..	..	2	2	..	..	3	..	..	..	1	3	..	3	10	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	1	..	..	..	27
10	2	29	34	13	3	149	34	21	82	19	19	48	31	238	4	5	4	8	5	3	10	6	17	1	1	3	3	1	2	1	1	1	1	875

RECAPITULATION.

Department distribution	875
General staff	3
Office staff	7
Stores	11
Cost department	5
Miscellaneous general	15
	916

COST DEPARTMENT.

U. Latraverse	Chief clerk	$ 60 00	month
E. Rajotte	Clerk	60 00	"
A. Prudhomme	"	38 33	"
J. Lanciault	"	1 20	day
H. Chapdelaine	"	1 45	"

MISCELLANEOUS GENERAL.

R. Lamoureaux	Watchman	$ 2 00	day
J. Lange	"	1 75	"
J. Aussant	"	1 80	"
A. Peloquin	"	1 75	"
H. Girouard	"	1 75	"
F. Bellerose	"	1 75	"
Mde. C. Paul	Sewing	1 00	"
Mde. C. Peloquin	"	1 00	"
G. Paul	Helper (Store)	1 60	"
E. Merry	"	1 60	"
L. Lachapelle	Helper	1 60	"
R. Lanciault	Stableman	1 60	"
H. Mongeon	"	1 45	"
G. Francoeur	Helper	90	"
Z. Desrosiers	Fireman	1 75	"

EMPLOYEES DISCHARGED FROM SOREL SHIPYARD FOR LACK OF WORK AND UNRULY HABITS.

Yard Number.	Name.	Occupation.	Date of Appointment.	Date of Discharge.	Reason for Discharge.
1143	J. Peloquin	Helper	Jan. 16, 1911.	Mar. 31, 1912.	Dispensed with on account of scarcity of work.
1125	A. Lavalee	Blacksmith.	Feb. 16, 1912.	"	"
1124	J. Niguette.	"	Feb. 16, 1912.	"	"
1177	A. Guevremont	Labourer	Mar. 4, 1912.	"	"
1472	H. Allard	"	Nov. 16, 1911.	"	"
1486	H. Coumayer	Heater	June 10, 1910.	"	"
1163	H. Guevremont	Helper	June 10, 1910.	"	Staying away from work too often.
1120	M. Coumayer	Boilermaker	Feb. 16, 1912.	"	Dispensed with on account of lack of work.
1465	J. B. Emond	"	Mar. 4, 1912.	"	"
1440	A. Salvard	Helper	——1909	"	"
1459	O. Salvard	"	Mar. 7, 1911.	"	"
1100	E. Latour	"	——1900	"	"
1183	J. Renaud	Labourer	Nov. 20, 1911.	"	"
1477	A. Gladu	"	April 1, 1910.	"	"
1459	N. Laprade	Helper	Dec. 4, 1911.	"	"
1181	C. Paul.	Labourer	Dec. 4, 1911.	"	"
1134	H. Potvin	"	Jan. 10, 1912.	"	"
1505	G. St. Germain	Heater	Aug. 16, 1911.	"	"
1467	J. Champagne	"	——1909.	"	"
1471	J. B. Coumayer.	Labourer	Sept. 16, 1908.	"	"
1056	J. Lirette	Boilermaker	——1904	"	"
1054	A. Chretien	"	Dec. 6, 1911.	"	"
1200	J. Bibeau	Labourer	Dec. 11, 1911.	"	Losing time in idle discussions.
1179	Ls. Thibault	"	Feb. 24, 1911.	"	Dispensed with on account of scarcity of work.
1198	J. Coumayer	"	Dec. 11, 1911.	"	"
1113	E. Lariviere	Boilermaker	Aug. 1, 1906.	"	"
1192	J. Crete	Labourer	Nov. 21, 1911.	"	"
1517	P. Caissy	Heater	Nov. 12, 1911.	"	Unruly.
1043	J. Bellevose	Boilermaker	Dec. 11, 1911.	"	Dispensed with on account of scarcity of work.
1463	D. Aubuchon	Helper	Nov. 6, 1911.	"	"
1024	J. Peloquin	Boilermaker	——1898	"	"
1438	R. Plasse	Helper	Mar. 8, 1910.	"	"
1501	H. Vilandre	Heater	July 26, 1911.	"	Unruly.
1145	J. Debigare	Helper	Jan. 8, 1907.	"	Loses time without good reason.
1175	J. B. Joinville	Labourer	July 10, 1911.	"	Loses time in idle discussions.
1191	L. Desautels	"	Nov. 20, 1911.	"	"
1155	F. Benoit.	Helper	——1907	"	"
1401	P. Mongeau	"	Mar. 16, 1910.	"	"
1435	A. Mongeau	"		"	"
1491	J. Lamoureux	Heater	July 19, 1911.	"	Loses time without good reasons.
1482	E. C. Joly	"	Oct. 17, 1910.	"	"
1137	A. Courtois	Helper	Dec. 4, 1911.	"	Loses time on account of drink.
1196	O. Gravel.	Labourer	Dec. 6, 1911.	"	"
1130	N. St. Martin.	Boilermaker	——1902	"	"
1193	J. Champagne	Labourer	Nov. 21, 1911.	"	Unruly.
1458	J. St. Laurent	Helper	Oct. 3, 1910.	"	Dispensed with on account of scarcity of work.
1407	N. Lavallee	"	Oct. 19, 1910.	"	"
1430	F. Paul.	"	Sept. 28, 1908.	"	"
760	A. Gouin	Labourer	Jan. 24, 1912.	"	"
1433	F. St. Jacques, fils	Helper	Oct. 7, 1904.	"	"
1496	D. Mathe.	Heater	——1910	"	"
1429	C. Metivier	Helper.	Sept. 21, 1908.	"	"
1428	L. Guevremont	"	——1902	"	"
1404	P. St. Amand	"	Aug. 17, 1908.	"	"
1086	T. Langlade	Boilermaker	——1907	"	"
1507	L. Raymond	Heater	June 10, 1911.	"	"
1186	P. Godin.	Labourer	Oct. 25, 1911.	"	"
1476	A. Harpin	"	Dec. 20, 1911.	"	"
1449	A. Coumayer	Helper	Aug. 24, 1908.	"	"
1469	P. Mathieu	Labourer	Nov. 16, 1911.	"	"
1148	C. Luette.	"	Nov. 1, 1911.	"	"
841	J. Faucher	Boilermaker	Jan. 16, 1912.	"	"
839	T. Arrel	Labourer	Jan. 16, 1912.	"	"

SESSIONAL PAPER No. 57

EMPLOYEES DISHARGED FROM SOREL SHIPYARD, &c.—*Concluded.*

Yard Number.	Name.	Occupation.	Date of Appointment.	Date of Discharge.	Reason for Discharge.
822	E. Caissy	Plater	Jan. 22, 1912.	Mar. 31, 1912.	Loses time without good reasons.
1190	A. Godin	Labourer	Feb. 11, 1904.	"	Loses time on account of drink.
1197	H. Allenberg	"	July 18, 1911.	"	" " "
1460	A. Beland	Helper	Oct. 17, 1910.	"	Loses time without good reasons.
1031	A. Girard, pere	Boilermaker	Oct. 5, 1906.	"	Loses time on account of drink.
1083	E. Jacques	"	July 1, 1908.	"	" " "
1146	A. Cotnoir	Labourer	Oct. 2, 1904.	"	Loses time without good reasons.
1080	H. Cautara	Boilermaker	Oct. 9, 1911.	"	Loses time on account of drink
1189	A. Girard, fils	Labourer	Aug. 17, 1908.	"	" " "
1446	A. Cartier	Helper	Dec. 1, 1911.	"	" " "
1461	V. Lavallee	"	Nov. 3, 1911.	"	" " "
1488	O. Latraverse	Heater	Oct. 30, 1911.	"	Unruly.
1512	L. Berard	Helper	Nov. 16, 1911.	"	"
1447	V. Beauloi	"	Nov. 13, 1911.	"	Loses time on account of drink.
1439	R. Boisvert	"	Dec. 20, 1911.	"	" " "
820	A. Morin	Machinist	Jan. 22, 1912.	"	" " "

SUMMARY.

Helpers, 29; boilermakers, 14; labourers, 25; platers, 1; Machinists, 1; total, 79.

EMPLOYEES ABSENT ON THE AFTERNOON OF GOOD FRIDAY, APRIL 5, 1912, AS PER PUNCH-KEEPER'S REPORTS.

Card No.	Name.	Department.	Card No.	Name.	Department.
5	F. Beaulac	Machine shop	464	E. Beaulieu	Carpenter.
7	H. Roberge	"	467	John Stables	"
44	E. Thesault	"	487	J. Lalancette	"
48	J. Demers	"	529	S. Simard	Electrician
49	E. Prudhomme	"	252	A. St. Arnault	Asbestos dept.
53	E. Duplessis	"	254	P. Latour	"
85	J. Cardin	Blacksmith shop.	303	H. Paul	Painters' shop.
104	P. Nadeau	"	323	R. Blanchemin	"
115	A. Champagne	"	328	T. Barabe	"
122	Z. Guertin	"	334	L. Villandre	"
141	A. Harpin	"	340	E. Caissy	"
108	A. Dauphmais	"	1030	G. Lambert	Boiler maker.
778	V. Latour	Yard.	1041	A. Maclure	"
602	B. Coumoyer	"	1108	P. Ethier	"
641	P. Coumoyer	"	1117	A. Gailloux	"
663	N. St. Martin	"	1126	E. Lalancette	"
671	J. Chevalier	"	1127	H. Plante	"
675	C. Guertin	"	1138	D. Dumais	"
588	D. Chevalier	"	1151	P. St. Martin	"
691	E. Lemoine	"	1162	A. Latour	"
697	J. Laforest	"	1172	A. Pelletier	"
698	Z. Cotnoir	"	1180	J. Latour	"
708	E. Moreault	"	1418	A. Latraverse	"
711	L. Paulhus	"	1417	A. Pelletier	"
724	A. Cotnoir	"	1422	E. Coutara	"
727	J. Cayer	"	1454	H. Gladu	"
734	J. Guevremont	"	1484	J. Coumoyer	"
739	L. Guevremont	"	1490	J. Bonin	"
771	O. Godin	"	1510	O. Charbonneau	"
777	P. Latour	"	1515	L. Gendron	"
775	V. Godin	"	1525	A. Cayer	"
770	A. Valois	"	835	F. Cardin	"
405	A. Plante	Carpenter.	837	L. Ducharme, fils	"
407	E. Pelletier	"		Total.....68	
418	D. Millette	"			

MEN PAID OFF BY ORDER OF THE DEPARTMENT.

	1911.			1912.	
	Oct.	Nov.	Dec.	Jan.	Feb.
Boiler makers	20	14	4		7
Fitters	6	2	2	1	1
Labourers	5	1	1	2	6
Caulkers	1				1
Steamfitters	4		1 fore.	1	
Mould loft	1				
Carpenters	4				1
Labourers	1				
Rivet heaters	2				1
Labourers (asbestos)	1				
Painters	2		1 fore.		52
Electrician		1			
Clerks (office)			2		
Chief acct			1		
Timekeeper			1		
Checker of goods			1		
Storekeeper			1		
Watchmen					1
	47	18	15	4	70

Total 154

COST OF MATERIALS.

Material.	Buying Rates.	Remarks.
Beech wedges used	4 1c. each.	
Gasolene	(200 gall. lots) 16c. per gall.	
Candles		
Assorted nails	$2.40 per 100 lbs.	
Coal oil	Contract 200–500 gall., 11c. per gall.	
Washers	4½c. per lb.	
Bolts (ordinary sq. heads)	2 x ¾-in. at 2¾c. each.; 2-in., per lb., 4c.; 2 x ⅝-in. at 2½c. each ; 2-in., 3¼c.	
Steel plates	$1.56 per 100 lbs.	
" angles	$1.46 "	
" channels	$1.56 "	
" flats or liners	$1.56 "	
Assorted rivets	⅝ x ¾-in., 2¾c. per lb.	
Hexagon nuts	⅜ to ⅝-in., 5c. per lb.; ¾ to 1-in., 6c. lb.	
White paint for marking	11c. per lb. (ready for use.)	
Putty	$1.90 per 100 lbs.; 2c. per bar.	
Linseed oil	92c. per gall.	
Drilling oil	30c. "	
Charcoal		
Tallow	8c. per lb.	
Oakum, spun	At 5c. per lb.; bale, $50.	
Ships spikes	$2.80 per 100 lbs.; bale, $50.	
Babbit, genuine	25c. per lb.	
Brass castings	20c. to 28c., gunmetal.	
Sheet rubber	16¾c. per lb.	
Felt for ships		
Tacks for templates		
Rubber valves for pumps, &c	$1.16 per lb.	
Manila ropes	8⅞c. per lb.	
No. 21—1⅝-in. steel chain	$3.26 per 100 lb.	
" —stockless anchors	Jan., 1912, $3.18 per 100.	
Common anchors	Sept., 1911, $3.25 "	
Soft steel for wedges	2½c. to 3c. per lb.	
Drift pin steel	6c. to 8c. per lb.	
Tool steel	14c. per lb.	
Round iron for bolts, &c	¼, ⅜, ½, ¾, 1-in., $2.43, $2.12, $1.85, $1.83, $1.83 per 100 lbs.; 1 to 1½-in., $2.05 per 100 lbs.	
Square iron for bolts, &c	$2.05 per 100 lbs., all sizes.	
White paint for painters	11c. per lb. (ready for use.)	
Pins for templates		
Lignum vitae		
Oak, white	$60–$70 per 1,000 ft. B.M.	
Rock elm	$60 "	
Bass wood templates	$27 "	
Hemlock		
Norway pine	$40 "	
Pitch pine		
Yellow pine		
Teak		
Maple	$50 "	
Beech		
Birch		
Red pine	$45 "	
Slabs	$2 a cord.	
Spruce, planed	$39.75 per 1,000 ft.	
Rivet fire coke	$7.50 per ton of 2,240 lbs.	
Blacksmith coal	$5.60 " "	
" coke	$7.50 " "	
Cement	58¾c. per 100 lbs.; $1.91 per bbl.	
Sand	$1.53 per cu. yd.	
Boiled linseed oil	92c. per gal.	
Turpentine	70c. "	
Mixed paint	11c. "	
Red lead putty	5½c. per lb.	
Packing, H.B.O., &c	60c. per lb.; ½ x ½-in., 60c., 1x1-in., 60c.	
Coals, ordinary	$4.10 per 2,240 lbs.	
Furnaces, bar and plate		
" chain falls		
" steam winch		
" air tools		
" rivet furnaces		

(Selling prices same as buying. 5% for handling and insure there is no loss. No repairs done for private firms.)

LIST OF ARTICLES MANUFACTURED BY COMMISSION.

Articles.	Cost.	Remarks.
TINWARE.	$ cts. each.	
Megaphones	2 44 "	
Tin tallow pots	0 34 "	
Tea pots, 2 galls	0 83 "	
Dippers, 1 qt	0 27 "	
Tea kettles, 2 galls	0 98 "	
" large, 5 galls	0 95 "	
Oil cans, 1 pt	0 33 "	
Marine water cups, 1 pt	0 25½ "	
Cannisters, 1 gall	0 65½ "	Fair market value. 50 p.c. less than prices here shown.
Stove pipe elbows, 7 in. dia	0 22 "	
" lengths, 7 in dia	0 09¾ "	
Cups, 1 pt	0 12½ "	
Dripping pans, 18 in. x 12½ in	0 71 "	
" " 8 in. x 14 in	0 40½ "	
Taper pipes, 7 in. x 5 in	0 12½ "	
Dust pans, 9 in. x 12 in	0 25½ "	
Pans, 9 in. x 9 in	0 16½ "	
Cups, ½ gall	0 30¼ "	
Water syphons, complete, 2½ in	2 93 "	
Dish pans	0 43 "	
Milk cans, 1 gall	0 46½ "	
Milk pans, 1 gall	0 08¾ "	
Oil cans, 1 gall	0 44 "	
Cannisters having spout, 1 qt	0 23½ "	
GALVANIZED WARE.		
Water pail, 2 galls	0 45½ "	
DRY GOODS.		
White aprons (butcher linen) for cooks, 42 in. x 36 in	0 24 "	
Cotton deck mitts	0 31 pair.	
Dish cloths	0 14 each.	
Signal flags	1 00½ "	
Coloured pillow covers	0 12½ "	
Roller towelling, 75 in. x 17 in	0 18 "	
MISCELLANEOUS.		
Bucket pins, 3¼ in. x 32 in	4 29 "	
Ice refrigerator, 8 ft. 6 in. x 3 ft. 3 in. x 6 ft	67 26 "	
Solder	0 34 lb.	
Cold chisels	1 55 each.	
Roller pins	0 13½ "	
Tin measures, ⅛ gall	0 30 "	Fair market value. 50 p.c. less than prices here shown.
" ¼ "	0 50 "	
" ½ "	0 70 "	
" 1 "	0 86½ "	
Coal scuttles	0 68 "	
Ice tongs	1 35 "	
Galv. cans, 5 gall	0 57 "	
" 2 "	0 36 "	
Engineer lamps, ½ pint	0 15 "	
Gasoline tank, 50 galls	16 80 "	
Sample oil cans, 1 qt	0 30½ "	
Chain hooks, ½ in. x 30 in	2 30 "	
Oar locks, 2½ in	1 75 pair.	
"	1 02½ "	
Life boats, 18 ft. x 6 ft	164 74	
" 16 ft. long	120 00	
" 20 "	138 38	
Shackles, ⅝ in., (iron)	1 00	
Mattresses (6 yds. ticking, 32½ lbs. sea moss)	3 75 each.	
Bed sheets (single)	0 52 "	
Bath towels	0 15 "	
Pine baguette, ⅝ in. planed and grooved	79½c. per M. ft.	
Ice refrigerators 48 x 30 x 66	103 41	
" drawing No. 13172	87 23	
" 54 x 39 x 72	67 26	

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LIST OF ARTICLES MANUFACTURED BY COMMISSION—*Continued.*

Articles.	Last cost of Manufacture.	Remarks.
BRASS BAND COVERING.	$ cts. doz.	
Brass band covering $\frac{3}{4}$ inch	0 18 "	
" " 1 "	0 24 "	
" " $1\frac{1}{4}$ "	0 30 "	
" " $1\frac{1}{2}$ "	0 36 "	
" " 2 "	0 48 "	
" " $2\frac{1}{2}$ "	0 60 "	
" " 3 "	0 72 "	
" " $3\frac{1}{2}$ "	0 84 "	Fair market value. 50 p.c. less than prices here shown.
" " 4 "	0 96 "	
" " $4\frac{1}{2}$ "	1 08 "	
" " 5 "	1 20 "	
Tin bands $1\frac{1}{4}$ "	0 02 each.	
" $1\frac{1}{2}$ "	0 $02\frac{1}{2}$ "	
" 2 "	0 $03\frac{1}{2}$ "	
" $2\frac{1}{2}$ "	0 $04\frac{1}{4}$ "	
" 3 "	0 05 "	
" 4 "	0 $06\frac{3}{4}$ "	
" $4\frac{1}{2}$ "	0 $07\frac{1}{2}$ "	
" 5 "	0 $08\frac{1}{2}$ "	
Asbestos pipe covering $\frac{3}{4}$ "	0 10 ft.	
" " 1 "	0 12 "	
" " $1\frac{1}{4}$ "	0 15 "	
" " $1\frac{1}{2}$ "	0 $20\frac{1}{3}$ "	
" " 2 "	0 22 "	
" " $2\frac{1}{2}$ "	0 $25\frac{1}{3}$ "	
" " 3 "	0 $26\frac{2}{3}$ "	
" " $3\frac{1}{2}$ "	0 $27\frac{1}{3}$ "	Fair market value. 50 p.c. less than prices here shown.
" " 4 "	0 41 "	
" " $4\frac{1}{2}$ "	0 $53\frac{1}{3}$ "	
" " 5 "	0 $58\frac{1}{2}$ "	

NOTE—These goods were manufactured during the months of October and November, 1911 and January, 1912.

NEW WORK—SOREL SHIPYARD WORK IN HAND MARCH 15, 1912.

No.						
26	Steel elevator dredge	¾ finished	180′ x 40′ x 14′	Dredging machinery	17″ x 34″ x 36″	Fleming & Ferguson.
				Two boilers	12′ x 10′	Made in Sorel.
33	Steel dumping scow	¾ "	108′ x 22′ x 9′	Hydraulic machinery		Made in Sorel.
34	(Two) Wood dumping scows	¾ "	94′ x 26′ x 9′	" "		Made in Sorel.
36	Steel tug	¾ "	92′ x 24′ x 10′	Twin screw engine	11″ x 22″ x 18″	S. John Engine work.
				One boiler	12′ x 10′	Made in Sorel.
37	Steel elevator dredge	½ "	180′ x 40′ x 14′	Dredging machinery		Not yet ordered.
				Two boilers	12′ x 10′	Made in Sorel.
38	Steel tug	½ "	92′ x 24′ x 10′	Twin screw engine	11″ x 22″ x 18″	St. John Engine Works.
				One boiler	12′ x 10′	Made in Sorel.
39	Wood testing scow		78′ x 38′ x 7½′	Winches		Made in Sorel.
40	Steel rock crusher	⅞ "	100′ x 36′ x 9′	Machinery and boiler	9′ x 8½′	From Lobnitz & Co.
41	Steel rock crusher	Material ordered		Machinery in yard		
				Boiler not yet decided on		
42	(Two) Wood dumping scows	Just started	94′ x 26′ x 9′	Hydraulic machinery		Made in Sorel.

64 boats tied up during the Winter 1911-12.

REPAIR WORK.

SOREL SHIPYARD—APPROXIMATE VALUATION OF PLANT AT MARCH 15, 1912.

MACHINE SHOP.

No.		
1	Bolt cutter 1½ in	$ 200
2	" 2½ in	500
3	Small planer, 8 ft. bed—8 ft.-0 in. x 2 ft-0 in	1,200
4	Lathe 8–4 centres 20 in. swing	650
5	Shaper, 16 in. travel	400
6	Radial drill	1,000
7	Boring mill—face plate 4–10	2,600
8	Drill 21 in. swing	250
9	" "	250
10	" "	250
11	Lathe—4–6 between centres 17 in. swing	350
12	Universal miller	600
13	Lathe—16–0 centres—4–8 swing	400
14	Radial drill—5 ft. swing	2,200
15	Chuck, 6–0 centres 10 in. swing	200
16	Shaper, 2–0 travel	600
17	" 1–4 "	375
18	Large planes 19–0 x 7–0	4,000
19	Lathe 4–6 centres 18 in. swing (gap lathe)	500
20	" 7–0 " 18 "	650
21	" 6–6 " 16 "	600
22	" 4–6 " 19 "	500
23	" 6–6 " 21 "	700
24	" 8–0 " 30 " gap	1,200
25	" 10–0 " 24 "	600
26	" 4–6 " 14 "	300
27	" 4–6 " 18 "	400
28	" 20–10 " 28 "	1,200
29	4 Spindles drill	2,000
30	Cold saw, hack	30
31	Automatic cold saw, 18 in. dia., portable	50
32	Small planer 8–6 x 2–7	600
33	No. 2 Leblond milling machine	800
34	Drill 2–6	300
35	Lathe, gap 11–0 x 18 in	600
37	Turret lathe 17 in. swing	800
38	Lathe 6–0 centres 18 in. swing (chuck)	2,000
39	Drill, 3–4 face plate	400
40	Chuck, 6–0 centres	2,000
41	1 Slotting machine	300
42	Travelling crane and blocks	500
43	Shafting and belting	1,000
44	Miscellaneous tools and sundries	1,000
		$ 35,255

OLD BOILER SHOP NO. 3.

Shears No. 1, 51 in. gap	700
Punch No. 2, 48 "	700
Punch and shears No. 3, 27 in. gap	500
Plate rolls 8, outside 10–0 in. dia	500
Osk drill 9	300
Small set slabs and forge and crane 10–0 x 7–0	100
Large " " " 50–0 x 30–0	1,500
1 Plate furnace 20–0, 1 fire 5–6 x 2–2 door	1,000
1 Angle " 40–0, 2 " 2–6 x 1–0 "	1,000
1 Cold saw	50
Shafts, belts, &c	200
Miscellaneous tools	600
" " in mould loft	150
	$ 7,300

NEW BOILER SHOP NO. 2.

No.		
1	Angle shears, double	$ 1,000
2	Punch horizontal	800
3	Countersinking drill	600
4	" "	600
5	Drill radial	750
6	Plate bending rolls—12–0 x 20 in. dia	6,000
7	Air compressor 12 x 14 x 12	600
8		
9	Bending rolls, hand power—small	50
10	Forge, boilermakers	50

SOREL SHIPYARD—APPROXIMATE VALUATION OF PLANT AT MARCH 15, 1912—*Con.*

NEW BOILER SHOP NO. 2—*Continued.*

11	"C" pressure blower fan	$ 50
12		
13		
14		
15	Hydraulic beam shears	2,500
16	Punching machine—48 in. gap	1,000
17	" " old machine (27 in. gap)	300
18	Drill (old)	200
19	Hydraulic pumps	800
20	Shears 48 in. gap	1,000
21		
22	Head drill	800
23		
24	Drill—good radial	500
25	Emery wheel	100
26	Punching machine 48 in. gap	1,500
27	" " "	1,500
28	Plate planer	1,200
29	Hydraulic coping machine	500
30	Two 5 ton travelling cranes	1,500
31	One 30 ton " "	3,000
32	One air lift 3 tons	100
	Shafting and belting	300
	Miscellaneous tools and sundries	900
	1 Wells light	100
		$ 28,400

SHOP OVER SAW-MILL.

No. 1	Wood lathe 15-0 long x 20 in. diameter	$ 100
2	Wood planer—revolving table—24 in. knife	300
3	Circular saw	100
4	Band saw 3-6 in. diameter wheel	150
5	Buzz planer 25 in. knife	150
6	Tenoning machine 18 in. x 4-0	250
7	Boring machine	50
8	Grindstone 21 in. diam	10
9	Mortice machine	400
10	Sand papering machine	25
11	Saw sharpening tools	50
	Forge 2-0 x 2-0	25
	Rolls for straightening bandsaws	25
	Emery wheel 12 x $\frac{3}{4}$	15
	" " 12 double head	20
	" " special	50
	Band saw sharpening machine	50
	Shafting and belts	50
	Miscellaneous tools and sundries	250
		$ 2,070

TINSMITH SHOP.

1	small beading machine	$ 20 00
1	" burring "	60 00
2	" punch 12 in. gap	100 00
1	set rolls 36 in. (stove pipe)	100 00
1	36 in. foot shears	75 00
1	14 in. circular burring machine	50 00
1	36 in. plate folder	25 00
1	21 in. "	20 00
1	small turning machine	100 00
2	10 in. gap shears	50 00
1	large turning machine	75 00
1	" wiring "	50 00
1	setting down machine	20 00
1	soldering iron furnace (no use)	
	Hand tools, benches, vices and miscellaneous tools	200 00
		$ 945 00

SESSIONAL PAPER No. 57

SOREL SHIPYARD—APPROXIMATE VALU ATION OF PLANT AT MARCH 15, 1912—*Con.*

SAWMILL.

Value of buildings	$	800 00
No.		
1 Moulding machine, 4 sides, 12 in. x 6 in		800 00
2 Band saw, small		150 00
3 Planer and matcher 24 in. x 6 in		300 00
4 Planer, revolving table, 26 in. x 10 in		100 00
5 Travelling log carrier 60-0 x 36 ft. x 36 in		1,500 00
6 Circular saw 60 in. diameter		500 00
7 Band saw, 9 in. wide 72 in. wheel		800 00
8 Timber hauling out ways, endless chain, etc		1,500 00
9 Swing saw 36 in. diameter		300 00
10 Edger saw 18 in. "		500 00
11 Swing saw 16 in. "		150 00
12 Small emery wheel 11 in. diameter		50 00
13 Grindstone 36 in. diameter		15 00
14 Fan exhaust for shavings 36 in. and pipes		300 00
15 Shafting and pulleys and belts		800 00
16 Sundry tools		200 00
	$	7,965 00

BLACKSMITH SHOP.

1 large steam hammer	$	500 00
1 medium "		300 00
1 electric hammer		1,200 00
1 small electric hammer		150 00
1 blower		60 00
11 fires		250 00
3 cranes		200 00
1 weighing machine		25 00
Vices, hand tools, cresses, steam piping		500 00
	$	3,185 00

PATTERN SHOP (over machine shop).

1 Wood lathe	$	75 00
2 "		75 00
3 Band saw		150 00
4 Surface planes		175 00
5 Buzz planes		150 00
6 Band saw		150 00
7 Grindstone		10 00
8 "		10 00
Miscellaneous tools and sundries		205 00
Patterns throughout the yard		20,000 00
	$	21,000 00

YARD.

Value of land, 43,560 sq. ft., 1 x 14 acres, 609,840 sq. ft., at 5½c. (does not include waste land or McCarthy Estate)	$	33,540 00
Value of industrial railway (1 mile) 1,875 yds. at $2.50, $4,687 ; 27 curves at $6, $4,849		4,800 00
" steam piping, 4,000 sq. ft. heating surface at 22c		1,500 00
" water piping		3,000 00
" air piping		1,500 00
Winch, electric (large)		6,000 00
" " (small)		2,000 00
Sewers		500 00
Fire protection (reels and hose)		1,000 00
Weighing machine		300 00
No. 2 fire hold, 2 locomotive boilers		3,000 00
1 30-ton hand crane		2,500 00
Shear legs, new, 18,000 legs, 12,000 winch, &c		30,000 00
" old		800 00
Fencing		500 00
Wharfs, 4 off		8,000 00
Marine railway, No. 1, 12,000, and No. 2, 7,500		8,700 00
Wires and blocks, tools and implements		1,250 00
11 horses, harness and equipment		2,500 00
Wagons, sleighs, and industrial cars		1,500 00
Boats and punts		200 00
Shelters, 12 off., windshields		200 00
Steaming trough for carpenters		100 00

SOREL SHIPYARD—APPROXIMATE VALU ATION OF PLANT AT MARCH 15, 1912—*Con.*

YARD—*Continued.*

Shear legs, derrick posts, &c.	$	500 00
Sundries		500 00
Furniture and fixings		1,000 00
Miscellaneous tools		710 00
Carpenter shop		400 00
	$	116,500 00

STEAMFITTER'S SHOP.

1 small hand forge	$	25 00
1 pipe machine, 1-in. to 6-in. screwing		200 00
1 " 2-in. to 8-in. "		600 00
2 small hand pipe machines, up to 2-in.		50 00
2 12-in. upright drill		100 00
1 combined buffer and emery grinder		75 00
1 Welsbach light		100 00
Hand dies, miscellaneous tools, shafting, belts, &c.		600 00
2 pipe bending machines		50 00
Slabs for bending pipes on		50 00
Miscellaneous tools		2,000 00
	$	3,850 00

New mould loft	$	220 00
Paint shop		350 00
Asbestos		100 00
	$	670 00

ELECTRICAL DEPARTMENT.

Air compressor, 12 x 19 x 18	$	1,500 00
1 125-h.p., 110 volt, direct current motor		1,000 00
300-h.p. alternating current, 2 phase, 2,200 volt motor, 30 cycle		1,000 00
1 200-k.w., 125 volt, 1,600 ampheres, direct current generator		4,500 00
1 switch board and equipment		750 00
Wiring posts, &c.		2,500 00
Telephones		350 00
2 75-k.w. transformers, 2,200, 440 volts		1,000 00
2 50-k.w. " 2,200, 440 "		750 00
2 30-k.w. " 2,200, 440 "		600 00
2 15-k.w. " 2,200, 110, 220		300 00
2 10-k.w. " 2,200, 220		175 00
2 15-k.w. " 2,200, 220		250 00
40 direct current arc lamps		600 00
3 alternating current arc lamps		40 00
1,000 incandescent lights, 16 c.p., and wiring		800 00
1 150 incandescent, alternating current, 440 volt motor sawmill		1,200 00
1 100 " " " 440 "		700 00
1 5 " direct " 440 "		100 00
2 30 " alternating " 440 volts motor pumps		600 00
1 25 " " " 440 volts motor plate rolls		300 00
1 7½ " " " 440 " "		200 00
1 10 " " " 220 " boiler shop		250 00
1 10 " " " 220 " "		250 00
1 10 " direct " 110 volts boiler shop		200 00
1 10 " " " 110 "		200 00
1 5 " " " 110 air tools, boiler shop		100 00
1 15 " " " 110 steamfitter		300 00
1 25 " " " 110 boiler shop		500 00
1 10 " " " 110 "		200 00
1 10-h.p. direct current 110 volts motor, boiler shop		200 00
1 20-h.p. " " " "		400 00
1 40-h.p. " " air compressor, boiler shop		750 00
1 5-h.p. " " "		100 00
1 10-h.p. " " "		200 00
1 15-h.p. " " "		250 00
1 10-h.p. " " "		200 00
2 10-h.p. " " motor "		350 00
1 3-h.p. " " " blacksmith		90 00
1 13-h.p. " " " "		250 00
1 10-h.p. " " " "		200 00
1 55-h.p. " " " machine shop		500 00
Call bells		50 00

SESSIONAL PAPER No. 57

SOREL SHIPYARD—APPROXIMATE VALUATION OF PLANT AT MARCH 15, 1912—*Con.*

ELECTRICAL DEPARTMENT—*Continued.*

1 75-h.p. 110 volt direct current motor winch	$ 700 00
1 6-h.p. " " " spare	100 00
1 1½-h.p. " " " "	40 00
1 50 k.w. generator and engine (old engine room)	1,200 00
1 30 k.w. " " " "	800 00
1 25 k.w. 110 volt direct current motor (old winch)	200 00
2 500 g.p.m. double stage centrifugal pump	1,200 00
1 500 g.p.m. steam driven underwriters pump and hose	800 00
1 feed water heater	50 00
1 boiler feed pump	75 00
1 20-h.p. Corliss engine	300 00
1 switchboard	200 00
1 12 x 12 x 14 steam driven air compressor	1,000 00
3 return tubular boilers	3,000 00
Miscellaneous tools	475 00
	$ 34,900 00

PNEUMATIC TOOLS.

18 L.S. hammers, 90 x $1\frac{1}{16}$ x 6, at $80 each	$ 1,440 00
2 L.S. hammers, 90 x $1\frac{1}{16}$ x 6, special	250 00
4 L.S. hammers, 60 x $1\frac{1}{16}$ x 6	300 00
13 chipping hammers, No. 2, at $50 each	650 00
5 drills, No. 1	400 00
22 drills, No. 2, at $75 each	1,650 00
4 drills, No. 3, at $60 each	240 00
1 drill, wood boring, No. 5	100 00
2 drills, corner boring, No. 2	300 00
1 flue expander, No. 11	100 00
16 holders	480 00
2 painting machines	40 00
2 three-ton air hoists	320 00
1 No. 2 Whitelaw bolt nipper	225 00
2 yoke riveters, $1\frac{1}{16}$ x 6	200 00
2 compression riveters	250 00
1 rivet buster	100 00
Shafting	50 00
Belts and pulleys	20 00
Miscellaneous tools	300 00
	$ 7,410 00

BUILDINGS.

No. 2.	Boiler shop (new)	$ 20,000
3.	" (old)	4,000
4.	Offices and stores	5,000
5.	Machine shop and pattern shop—No. 1 fire hold	20,000
6.	Blacksmith shop	800
7.	Wire ropes and iron and wood store	2,000
8.	Stables and store	2,000
9.	Carpenters shop (spar shed)	1,200
10.	Ice house	800
11.	Rivet store	1,000
12.	Rivet and nail store	1,000
13.	Manilla shed	600
14.	Oil shed	600
15.	Fleet storehouse	7,800
16.	Power house	10,000
17.	Sawmill and joiner shop	15,000
18.	Paint shop, mould loft and asbestos department	10,000
19.	Pattern shed	5,000
20.	Dry wood store	1,000
21.	Fire hold No. 2	3,500
22.	Shed for castings and platform	2,500
23.	Dry kiln (includes pipes)	3,000
24.	Machinery shed (storing new machines)	2,000
25.	Angle iron smith shed	100
26.	New Ways, 'Winch House'	400
27.	Platform 'Scale House' 'Weighing Machine'	300
28.	Fire reels shed	300
29.	Old winch house (no use)	50
30.	Oakum house	100
31.	40 ton shear leg winch house	400

SOREL SHIPYARD—APPROXIMATE VALUATION OF PLANT AT MARCH 15, 1912—*Con.*

BUILDINGS—*Continued.*

No. 32.	Repairing shop for launches	$ 200
33.	Shed for stowing launches	150
34.	House for iron stock-keeper	60
	Water closets (double)	250
	Water closets (single)	200
		$ 121,310

RECAPITULATION.

Machine shop	$ 35,255	
Old boiler shop	7,300	
New boiler shop	28,400	
Joiners shop	2,070	
Tinsmiths shop	945	
Sawmill	7,965	
Blacksmith shop	3,185	
Pattern shop	21,000	
Yard	116,500	
Steamfitters shop	3,850	
Electrical department	34,900	
Pneumatic tools	7,415	
Buildings	121,310	
Miscellaneous drawing models, &c	10,560	
New mould loft paint shop and asbestos shop, and miscellaneous tools	670	
	$ 401,325	
Stock to add	303,133	
Grand total	$ 704,458	

NOTES.

The boiler makers and shipbuilding departments ought to be under separate and distinct responsible foremen as the trades are totally different and have little or nothing in common with each other.

The average rate of wages paid is rather low in comparison with other Canadian yards and engineering workshops, probably due to the fact that the men are not properly qualified tradesmen. If this is the case then the excessive cost is somewhat explained, because good tradesmen will not work at the rates paid at Sorel just now. To pay even low rates of wages to inferior workmen is not good business; far better to get first class tradesmen and pay them accordingly (at least leading hands). We do not advocate a general rise in wages. The whole wages question requires to be looked very carefully into; perhaps in many cases the men are being paid more than they are worth.

Some system wants to be inaugurated to keep track of the amount of coal consumed; the initial cost, cost of haulage, supplies to fleet, &c.

Miscellaneous Tools.—After stock of these has been taken and valuation made of the tools in each department, they should all be returned to the store, and on a requisition from the foreman as many as are necessary to carry on the work given out, and a proper inventory kept both in the store and the shops. This would simplify matters at stock taking time, as these tools are always being added to as they get worn out and so forth.

We checked several steel invoices and found the rolling margin to run from 3 per cent to 1½ per cent over calculated weight, which is fair and reasonable, but this wants to be attended to.

Messrs. Price, Waterhouse & Co. have overhauled the timekeeping and will doubtless report to the Commission, therefore we will not add any more to our remarks on this subject.

When stock taking is finished we would suggest that the stock is checked with the stock books to see how they tally.

SESSIONAL PAPER No. 57

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09 -THE DEPARTMENT OF MARINE AND FISHERIES -GOVERNMENT SHIP YARD, SOREL PREPARED BY THE COST DEPARTMENT, APRIL, 1909.

ASBESTOS DEPARTMENT.

Wages of foremen and sundry help, not distributed		$ 139 34
Power, heat and light		568 50
Properties of non-producing departments		435 19
Building repairs		265 81
Machine shop		15 20
Teamsters and horses		6 72
Pipe shop		2 70
Yard		1 83
Stores		37 05
		$ 1,472 34

	1907-08	1908-09
The amounts of direct wages were	$ 1,296 57	$ 3,289 81
The indirect cost to be added to above	406 29	1,472 34
The percentages of indirect to direct	33⅓ p.c.	44¾ p.c.

N.B.—Only 7 months in operation in 1907-08.

BLACKSMITH SHOP.

Wages of foreman, clerk and sundry help, not distributed	$ 2,629 71
Power, heat and light	1,255 00
Proportion of non-producing departments	1,347 70
Stores	1,019 35
Building repairs	737 42
Yard	73 95
Electrical shop	52 25
Machine shop	24 91
Saw mill	12 39
Teamsters and horses	12 72
Pattern shop	8 71
Shop sundries	434 04
	$ 7,608 15

	1907-08	1908-09
Direct wages were	$ 10,762 45	$ 10,345 55
Indirect cost to be added to above	7,993 10	7,608 15
Percentage of indirect to direct	74¼ p.c.	73½ p.c.

BOILER SHOP.

Wages of foreman, clerk and sundry help, not distributed		$ 4,310 41
Power, heat and light		12,774 00
Proportion of non-producing departments		9,762 88
Stores		6,017 34
Building repairs		1,622 09
Blacksmith shop		1,805 76
Yard		560 88
Teamsters and horses		234 00
Electrical shop		773 81
Saw mill		65 76
Machine shop		53 31
Carpenter shop		20 27
Pattern shop		7 69
Shop Sundries		865 79
Pneumatic Tools—		
Machine shop	$ 762 72	
Pipe shop	797 08	
Stores	2,871 33	
		$ 4,431 13
		$ 43,305 12

	1907-08.	1908-09.
Direct wages were	$ 64,341 05	$ 74,721 44
Indirect cost to be added to above	43,036 99	43,305 12
Percentage of indirect to direct	67 p.c.	58 p.c.

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

CABINET SHOP.	$ cts
Wages of foreman, clerk, not distributed	390 44
Power, heat and light	1,966 50
Proportion of non-producing departments	496 54
Building repairs	131 65
Stores	133 87
Saw mill	196 43
Electrical shop	93 52
Shop sundries	29 24
	$ 3,438 19

	1907-08. $ cts.	1908-09. $ cts.
Direct wages, were	3,026 98	3,742 56
Indirect cost to be added to above	3,976 98	3,438 19
Percentage of indirect to direct	131⅓ p.c.	92 p.c.

CARPENTER SHOP.	$ cts.
Wages of foreman, clerk, not distributed	1,439 65
Power, heat and light	74 50
Proportion of non-producing departments	4,514 90
Building repairs	105 31
Stores	183 68
Blacksmith shop	15 16
Saw mill	29 42
Machine shop	1 81
	$ 6,364 43

	1907-08. $ cts.	1908-09. $ cts.
Direct wages were	28,995 62	34,431 33
Indirect cost to be added to above	7,199 00	6,364 43
Percentage of indirect to direct	25 p.c	18½ p.c.

CAULKERS.	$ cts.
Proportion of non-producing departments	1,170 49
Paint shop	93 58
Pipe shop	2 36
Stores	64 96
	$ 1,331 39

	1907-08. $ cts.	1908-09. $ cts.
Direct wages were	7,721 84	9,013 90
Indirect cost to be added to the above	1,658 44	1,331 39
Percentage of indirect to direct	22 p.c.	14¾ p.c.

DRAUGHTING.	$ cts.
Salaries of chief draughtsman and office help	2,112 44
Proportion of non-producing departments	1,037 73
Power, heat and light	52 50
Stores	78 55
Sundries	32 58
	$ 3,313 80

	1907-08. $ cts.	1908-09. $ cts.
Direct salaries were	6,934 76	7,836 36
Indirect cost to be added to above	4,267 78	3,313 80
Percentage of indirect to direct	61½ p.c.	42 3-10 p.c.

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

ELECTRICAL DEPARTMENT.

	$ cts.
Wages of foreman, clerk, not distributed	903 20
Power, heat and light	412 25
Proportion of non-producing departments	356 99
Building repairs	102 51
Stores	64 20
Carpenter shop	43 01
	1,882 16

	1907–08.	1908-09.
	$ cts.	$ cts.
Direct wages were	3,609 39	2,715 70
Indirect cost to be added to above	2,150 45	1,882 16
Percentage of indirect to direct	60 p.c	69 p.c.

MOULD LOFT.

	$ cts.
Proportion of non-producing departments	988 66
Power, heat and light	2,174 25
Building repairs	768 36
Stores	694 69
Saw mill	180 04
Yard	68 81
Teamsters and horses	24 97
Shop sundries	19 44
	4,919 22

	1907–08.	1908-09.
	$ cts.	$ cts.
Direct wages were	7,367 80	7,506 19
Indirect cost to be added to above	3,702 48	4,919 22
Percentage of indirect to direct	50¾ p.c.	65½ p.c.

MACHINE SHOP.

	$ cts.
Wages of foreman, clerk and sundry help not distributed	2,173 66
Power, heat and light	3,287 25
Proportion of non-producing departments	3,885 86
Building repairs	1,502 90
Stores	1,200 65
Blacksmith shop	529 59
Yard	520 95
Electrical shop	164 58
Pattern shop	27 94
Teamsters and horses	13 03
Shop sundries	445 39
	13,751 80

	1907–08.	1908-09.
	$ cts.	$ cts.
Direct wages were	23,357 67	29,860 04
Indirect cost to be added to above	14,007 24	13,751 80
Percentage of indirect to direct	60 p.c.	46 p.c.

PAINT SHOP.

	$ cts.
Wages of foreman, clerk, not distributed	1,474 42
Power, heat and light	700 75
Proportion of non-producing departments	2,504 26
Building repairs	217 82
Stores	85 84
Blacksmith shop	16 77
Teamsters and horses	11 51
Shop sundries	110 89
	5,122 26

	1907–08.	1908-09.
	$ cts.	$ cts.
Direct wages were	16,790 01	19,449 60
Indirect cost to be added to above	4,683 13	5,122 26
Percentage of indirect to direct	28 p.c.	26¼ p.c.

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

PATTERN SHOP.	$ cts.
Wages of foreman, clerk, not distributed	1,680 10
Power, heat and light	1,342 25
Proportion of non-producing departments	750 44
Stores	600 88
Building repairs	716 07
Saw mill	159 20
Yard	109 67
Teamsters and horses	15 40
Shop sundries	58 84
	5,432 85

	1907-08.	1908-09.
	$ cts.	$ cts.
Direct wages were	5,512 29	5,726 51
Indirect cost to be added to above	5,547 60	5,432 85
Percentage of indirect to direct	99 p.c.	95 p.c.

PIPE SHOP.	$ cts.
Wages of foreman, clerk, not distributed	1,299 24
Power, heat and light	986 75
Proportion of non-producing departments	1,275 94
Stores	316 16
Machine shop	7 98
Electrical shop	23 23
Blacksmith shop	1 67
Building repairs	13 84
Shop sundries	27 40
	3,952 21

	1907-08.	1908-09.
	$ cts.	$ cts.
Direct wages were	10,787 43	9,712 76
Indirect cost to be added to above	5,041 78	3,952 21
Percentage of indirect to direct	47 p.c.	40¾ p.c.

YARD.	$ cts.
Wages of foreman, clerk, not distributed	1,888 51
Proportion of non-producing departments	3,585 63
Building repairs	108 33
	5,582 47

	1907-08.	1908-09.
	$ cts.	$ cts.
Direct wages were	24,745 15	27,694 13
Indirect cost to be added to above	4,906 73	5,582 47
Percentage of indirect to direct	20 p.c.	20 p.c.

SAW MILL.	$ cts.
Wages of foreman, clerk, not distributed	1,147 44
Power, heat and light	5,349 75
Proportion of non-producing departments	963 23
Stores	832 17
Building repairs	805 17
Electrical shop	352 71
Yard	471 82
Teamsters and horses	115 49
Pattern shop	16 40
Machine shop	22 82
Blacksmith shop	37 57
Cabinet shop	2 48
Carpenter shop	2 55
Shop sundries	664 17
	10,783 77

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

SAW MILL—*Continued.*

	1907-08.	1908-09.
	$ cts.	$ cts.
Direct wages were	6,123 10	7,299 21
Indirect cost to be added to above	12,748 22	10,783 77
Percentage of indirect to direct	208 p.c.	147¾ p.c.

GENERAL EXPENSE.

	$ cts.
Staff salaries	4,016 62
Rent	1,200 00
Power, heat and light, including deficit of $1,439.53 in P. H. & L. account	5,513 03
Office salaries: Superintendent and time keeper	2,536 52
Building repairs	1,048 19
Yard	3,508 30
Teamsters and horses	841 83
Stores	1,863 93
Travelling and moving expenses: Mess. Desbarats, Papineau, Baril and Terreault	173 92
Gasoline launches: *Bronx*, $140.72; *Buffalo*, $192.49; *Viator*, $86.24	419 45
Water works	947 76
Wharves	670 50
Reception of Sept. 5, 1908	723 81
Locating St. Joseph cemetery	62 62
Repairs and maintenance of S. Y. railway	1,299 57
Repairs to scale	312 35
Stationery	560 71
Fences	322 51
Time recorders	365 80
Shear legs	107 57
Telephones	182 16
Telegrams	18 23
Postage stamps	100 00
Blacksmith shop	72 59
Saw mill	81 27
Coal delivered and not charged during the year	777 20
Sundries	260 35
Deficit in stables account	668 14
	28,654 93
Less—Surplus of ways account, $786.48; diff. with pay rolls during the year, $33.61	820 09
	27,834 84

	1907-08.	1908-09.
	$ cts.	$ cts.
General expense account	24,996 44	27,834 84

OFFICE EXPENSE.

	$ cts.
Salaries of clerks	1,661 99
Cleaning	190 50
Stores	133 65
	1,986 14

	1907-08.	1908-09.
	$ cts.	$ cts.
Office expense account	1,944 04	1,986 14

COST DEPARTMENT.

	$ cts.
Salaries of Cost Clerk and assistants	2,452 11

	1907-08.	1908-09.
	$ cts.	$ cts.
Cost department account	1,876 24	2,452 11

PROTECTION.

	$ cts.
Wages of watchmen	3,213 60
Less—¾ charged to Fleet, Gen. Exp.	2,410 25
	803 35

	1907-08.	1908-09.
Protection acct	782 40	803 35

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

STABLES.

Wages of stablemen		$ 1,203 81
Stores		1,236 86
Wagon repairs		1,490 29
Building repairs		282 85
Blacksmith shop		78 14
Power, heat and light		25 25
Sundries		10 35
	$	4,327 55

	1907-08.	1908-09.
Stables acct	$ 4,474 98	$ 4,327 55

STORE EXPENSE.

Salaries of store-keeper and assistants		$ 7,175 68
Yard		7,030 14
Teamsters and horses		2,315 03
Building repairs		1,104 96
Power, heat and light		457 50
Stores		282 74
Machine shop		222 88
Asbestos department		28 64
Cabinet shop		23 55
Drafting		19 73
Saw mill		14 50
Pattern shop		8 41
Sundries		209 20
	$	18,892 96

	1907-08.	1908-09.
Store expense acct	$ 15,699 51	$ 18,892 96

POWER, HEAT AND LIGHT.

Boiler rooms:—			
Firemen—Fire hold No. 1	$ 1,847 96		
" 2	429 02		
		$ 2,276 98	
Teamsters and horses		1,112 77	
Building repairs		291 64	
Boiler and steam pipes, repairs		901 77	
Stores		305 98	
Yard		260 75	
Fuel:—Coal	$ 7,809 62		
Slabs	1,181 62		
		8,991 14	
			$ 14,141 03
Power house:—			
Sorel Electric Co		$ 17,374 54	
F. A. Cote, salary		1,516 66	
Electricians		2,534 59	
Stores—Power house	407 88		
Electric light	227 24		
		635 12	
Building repairs		311 36	
Repairs to air pipes and compressor		270 25	
Change of voltage and wire poles		221 62	
Sundries		241 96	
			23,106 10
		$	37,247 13

	1907-08.	1908-09.
Power, heat and light acct :—		
Boiler rooms	$ 11,604 67	$ 14,141 03
Power house	22,905 29	23,106 10
	$ 34,509 96	$ 37,247 13

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—*Con.*

SAWING.

Raw Material.	Dr.		Product.	Cr.
	$ cts.	$ cts.		$ cts.
White pine—				
85,567 cu. ft.	25,655 30			
4,444 ft. b. m.	199 98			
514 lin. ft.	104 09			
		25,959 37	640,94 ft. b m..	31,365 14
Hemlock—				
5,259 lin. ft.	985 86			
855 ft. b. m.	15 39			
		1,001 25	25,957 " ..	767 56
Spruce—				
131 lin. ft	24 56			
239 ft. b. m.	9 56			
		33 92	4,508 " ..	156 72
British Columbia fir—				
3,684 ft. b. m.		165 78	3,437 " ..	206 22
Elm—				
123,683 ft. b. m.		5,565 75	117,095 " ..	7,002 61
White ash—				
890 ft. b. m.		29 38	346 " ..	17 30
Oak—				
2,652¾ cu. ft.	1,803 94			
127 lin. ft.	42 13			
		1,846 07	31,083 " ..	1,992 58
Teak wood—				
458 ft. b. m.		75 57	413 " ..	68 15
Slabs			499 cords ...	1,497 00
Red pine—				
133,565 ft. b. m.		5,482 63	127,158 ft. b. m..	7,629 48
Labour		40,159 72	950,941 "	
Direct	3,622 92			
Indirect	5,285 26			
		8,908 18		
Surplus	2,525 66			
Less amount omitted in W. pine in 1907-08	890 80	1,634 86		
		50,702 76		50,702 76

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1908-09, &c.—Con.

RECAPITULATION.

	1907-08.			1908-09.		
	Direct.	Indirect.	Per-centage.	Direct.	Indirect.	Per-centage.
	$ cts.	$ cts.		$ cts.	$ cts.	
Asbestos department	1,296 57	406 29	31⅓	3,289 81	1,472 34	44¾
Blacksmith shop	10,762 45	7,993 10	74¼	10,345 55	7,608 15	73½
Boiler shop	64,341 05	43,036 99	67	74,721 44	43,305 12	58
Cabinet shop	3,026 98	3,976 98	131⅓	3,742 56	3,438 19	92
Carpenter shop	28,995 62	7,199 00	25	34,431 33	6,364 43	18½
Caulkers	7,721 84	1,658 44	22	9,013 90	1,331 39	14¾
Draughting	6,934 76	4,267 78	61½	7,836 36	3,313 80	42⅓
Electrical	3,609 39	2,150 45	60	2,715 70	1,882 16	69¼
Mould loft	7,367 80	3,702 48	50¼	7,506 19	4,919 22	65½
Machine shop	23,357 67	14,007 24	60	29,860 04	13,751 80	46
Paint shop	16,790 01	4,683 13	28	19,449 60	5,122 26	26¼
Pattern shop	5,512 29	5,447 60	99	5,726 51	5,432 85	95
Pipe shop	10,787 43	5,041 78	47	9,712 76	3,952 21	40¾
Yard	24,745 15	4,906 73	20	27,694 13	5,582 47	20
Saw mill	6,123 10	12,748 22	208	7,299 21	10,783 77	147¾
	221,372 11	121,226 21	.....	253,345 09	118,260 16	.....

Average percentage of all shops together (except teamsters and sawing) :—

1907-08..... 54¾ p.c ; 1908-09..... 46⅔ p.c.

But to arrive at a fair comparison with previous fiscal year it is necessary to add 7½ per cent to all percentages of 1908-09, as stores expense account was not included in the non-producing departments in 1908-09 while it was in 1907-08.

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10.—THE DEPARTMENT OF MARINE AND FISHERIES.—GOVERNMENT SHIPYARD, SOREL.—PREPARED BY THE COST DEPARTMENT, APRIL, 1910.

ASBESTOS DEPARTMENT.

Wages of foreman and sundry help, not distributed		$ 27 98
Power, heat and light		600 00
Proportion of non-producing departments		561 39
Stores		38 15
Building repairs		74 72
Saw mill		6 56
Pipe shop		5 68
Shop sundries		212 70
		$ 1,527 18

	1907-08	1908-09	1909-10
Direct wages were	$ 1,296 57	$ 3,289 81	$ 5,791 06
Indirect cost to be added to above	406 29	1,472 34	1,527 18
Percentage of indirect to direct	31⅓ p.c.	44¾ p.c.	26$\frac{35}{100}$ p.c.

N.B.—Only 7 months in operation in 1907-08.

BLACKSMITH SHOP.

Wages of foreman and sundry help, not distributed	$ 3,060 91
Power, heat and light	1,332 00
Proportion of non-producing departments	1,319 71
Stores	2,314 13
Building repairs	403 94
Machine shop	181 29
Electrical shop	95 79
Yard	87 89
Teamsters	20 98
Shop sundries	558 97
	$ 9,373 61

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10, &c.—*Con.*

BLACKSMITH SHOP—*Continued.*

	1907-08	1908-09	1909-10
Direct wages were	$ 10,762 45	$ 10,345 55	$ 13,521 44
Indirect cost to be added to above	7,993 10	7,608 15	9,375 61
Percentage of indirect to direct	74¼ p.c.	73½ p.c.	69$\frac{34}{100}$ p.c.

BOILER SHOP.

Wages of foreman and sundry help, not distributed		$ 4,485 04
Power, heat and light		13,488 00
Non-producing departments		7,997 06
Stores		5,059 80
Building repairs		1,024 38
Blacksmith shop		1,831 13
Yard		750 80
Teamsters		277 00
Machine shop		213 36
Electrical shop		637 61
Carpenter shop		15 88
Shop sundries		898 78
Pneumatic tools:—		
Machine shop	$ 742 77	
Pipe shop	36 12	
Maintenance of air hose	729 23	
Stores	2,162 85	
		3,670 97
		$ 40,349 81

	1907-08	1908-09	1909-10
Direct wages were	$ 64,341 05	$ 74,721 44	$ 83,204 27
Indirect cost to be added to above	43,036 99	43,305 12	40,349 81
Percentage of indirect to direct	67 p.c.	58 p.c.	48$\frac{49}{50}$ p.c.

CABINET SHOP.

Wages of foreman and sundry help, not distributed	378 37
Power, heat and light	2,082 00
Yard	55 56
Proportion of non-producing departments	335 18
Teamsters	22 04
Saw mill	307 40
Building repairs	21 74
Electrical shop	124 81
Shop sundries	124 57
Stores	132 40
	$ 3,584 07

	1907-08	1908-09	1909-10
Direct wages were	$ 3,026 98	$ 3,742 56	$ 3,451 47
Indirect cost to be added to above	3,976 98	3,438 19	3,584 07
Percentage of indirect to direct	131⅓ p.c.	92 p.c.	35$\frac{34}{100}$ p.c.

N.B.—The decrease of percentage in 1909-10 is explained by the fact of the wood-working departments, *i.e.* cabinet shop, carpenter shop, caulkers and saw mill, being under the charge of the same foreman, closely related to each; a uniform percentage was calculated for the above mentioned departments.

CARPENTER SHOP.

Wages of foreman and sundry help, not distributed	$ 1,449 85
Power, heat and light	78 00
Proportion of non-producing departments	3,618 20
Stores	227 36
Saw mill	246 08
Blacksmith shop	46 87
Building repairs	12 55
Shop sundries	28 54
	$ 5,707 45

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10, &c.—*Con.*

CARPENTER SHOP—*Continued.*

	1907-08.	1908-09.	1909-10
	$ cts.	$ cts.	$ cts.
Direct wages were	28,995 62	34,431 33	37,712 67
Indirect cost to be added to above	7,199 00	6,364 43	5,707 45
Percentage of indirect to direct	25 p.c.	18½ p.c.	35·34 p.c.

N.B.—The increase of percentage in 1909-10 is explained by the fact that the woodworking departments, *i.e.* cabinet shop, carpenter shop, caulkers and saw mill, being under the charge of the same foreman, closely related to each other; a uniform percentage was calculated for the above-mentioned departments.

CAULKERS.

	$ cts.
Proportion of non-producing departments	938 61
Shop sundries	4 50
	$ 943 11

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts.	$ cts.
Direct wages were	7,721 84	9,013 90	9,773 20
Indirect cost to be added to above	1,658 44	1,331 39	943 11
Percentage of indirect to direct	22 p.c.	14¾ p.c.	35·34 p.c.

N.B.—The increase of percentage in 1909-10 is explained by the fact that the woodworking departments, *i.e.* cabinet shop, carpenter shop, caulkers and saw mill, being under the charge of the same foreman, closely related to each other; a uniform percentage was calculated for the above-mentioned departments.

DRAUGHTING.

	$ cts.
Wages of foreman and sundry help, not distributed	1,073 53
Proportion of non-producing departments	841 71
Power, heat and light	126 00
Stores	35 93
Sundries	63 64
	$ 2,140 81

	1907-08.	1908-09.	1909-10
	$ cts.	$ cts.	$ cts.
Direct wages were	6,934 76	7,836 36	8,674 92
Indirect cost to be added to above	4,267 78	3,313 80	2,140 81
Percentage of indirect to direct	61½ p.c.	42·3 p.c.	24·66 p.c.

ELECTRICAL DEPARTMENT.

	$ cts.
Wages of foreman and sundry help, not distributed	456 33
Power, heat and light	435 00
Proportion of non-producing departments	335 72
Stores	179 93
Building repairs	61 42
Carpenter shop	29 90
Shop sundries	20 18
	$ 1,518 48

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts.	$ cts.
Direct wages were	3,609 39	2,715 70	3,497 97
Indirect cost to be added to above	2,150 45	1,882 16	1,518 48
Percentage of indirect to direct	60 p.c.	69 p.c.	43·40 p.c.

MOULD LOFT.

	$ cts.
Proportion of non-producing departments	694 91
Power, heat and light	2,295 00
Stores	1,071 15
Building repairs	406 51
Saw mill	114 36
Yard	66 64
Teamsters	21 84
	$ 4,670 41

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts	$ cts.
Direct wages were	7,367 80	7,506 19	7,179 42
Indirect cost to be added to above	3,702 48	4,919 22	4,670 41
Percentage of indirect to direct	50¼ p.c.	65½ p.c.	65·05 p.c.

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10, &c.—*Con.*

MACHINE SHOP.

	$ cts.
Wages of foreman, clerk and sundry help, not distributed	2,520 70
Power, heat and light	3,471 00
Proportion of non-producing departments	3,891 98
Stores	1,942 28
Building repairs	545 19
Blacksmith shop	610 28
Electrical shop	218 94
Yard	202 03
Carpenter shop	134 97
Teamsters	40 32
Shop sundries	289 41
	$ 13,867 10

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts.	$ cts.
Direct wages were	23,357 67	29,860 04	40,517 76
Indirect cost to be added to above	14,007 24	13,751 80	13,867 10
Percentage of indirect to direct	60 p.c.	46 p.c.	34·22 p.c.

PAINT SHOP.

	$ cts.
Wages of foreman and sundry help, not distributed	1,525 67
Power, heat and light	741 00
Proportion of non-producing departments	2,124 93
Building repairs	148 89
Stores	67 83
Yard	42 21
Teamsters	17 26
Blacksmith shop	12 93
Saw mill	2 48
Shop sundries	187 89
	$ 4,871 09

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts.	$ cts.
Direct wages were	16,790 01	19,449 60	22,653 79
Indirect cost to be added to above	4,683 13	5,122 26	4,871 09
Percentage of indirect to direct	28 p.c.	26¼ p.c.	21·55 p.c.

PATTERN SHOP.

	$ cts.
Wages of foreman and sundry help, not distributed	2,126 21
Power, heat and light	1,071 00
Proportion of non-producing departments	579 04
Stores	510 08
Saw mill	286 80
Yard	69 79
Building repairs	92 89
Teamsters	20 59
Sundries	258 33
	$ 5,014 73

	1907–08.	1908–09.	1909-10.
	$ cts.	$ cts.	$ cts.
Direct wages were	5,512 29	5,726 51	6,025 85
Indirect cost to be added to above	5,547 80	5,432 85	5,014 73
Percentage of indirect to direct	99 p.c.	95 p.c.	83·22 p.c.

PIPE SHOP.

	$ cts.
Wages of foreman and sundry help, not distributed	1,477 78
Power, heat and light	1,041 00
Proportion of non-producing departments	1,123 45
Building repairs	413 32
Stores	296 88
Electrical shop	37 13
Blacksmith shop	6 27
Teamsters	3 00

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10, &c.—*Con.*

PIPE SHOP—*Continued.*

	$ cts.
Machine shop	1 70
Saw mill	0 99
Shop sundries	101 93
	$ 4,503 45

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Direct wages were	10,787 43	9,712 76	11,631 65
Indirect cost to be added to above	5,041 78	3,952 21	4,503 45
Percentage of indirect to direct	47 p.c.	40¾ p.c.	38·71 p.c.

YARD.

	$ cts.
Wages of foreman and sundry help, not distributed	2,152 36
Proportion of non-producing departments	2,972 50
Building repairs	16 32
	$ 5,141 18

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Direct wages were	24,745 15	27,694 13	31,445 43
Indirect cost to be added to above	4,906 75	5,582 47	5,141 18
Percentage of indirect to direct	20 p.c.	20 p.c.	16·35 p.c.

SAW MILL.

	$ cts.
Wages of foreman and sundry help, not distributed	709 59
Power, heat and light	5,649 00
Proportion of non-producing departments	666 48
Stores	590 61
Yard	1,235 16
Electrical shop	430 21
Machine shop	158 70
Building repairs	88 15
Teamsters	46 86
Blacksmith shop	14 38
Carpenter shop	5 69
Pipe shop	1 75
Shop sundries	576 35
	$ 10,172 93

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Direct wages were	6,123 10	7,299 21	6,80657
Indirect cost to be added to above	12,748 22	10,783 77	10,172 93
Percentage of indirect to direct	208 p.c.	148¾ p.c.	35·34 p.c.

N.B.—The decrease of percentage in 1909-10 is explained by the fact that the woodworking departments, *i.e.* cabinet shop, carpenter shop, caulkers and saw mill, being under the charge of the same foreman, and closely related to each other; a uniform percentage was calculated for the above mentioned departments.

GENERAL EXPENSE

			$ cts.
Staff salaries			4,199 88
Rent			1,200 00
Power, heat and light, including deficit of $127.23 in P. H. & L account			4,435 23
Officers salaries, superintendent and time keeper			2,640 00
Building repairs			894 83
Yard			2,648 36
Teamsters and h rses			686 74
Stores			1,428 82
Travelling expenses: Messrs. Papineau, Baril, &c			125 00
Gasoline launches	'Bronx'	$ 305 64	
	'Buffalo'	444 78	
	'Viator'	2 42	
			752 84
Water works			392 90
Wharves			249 31

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10, &c.—*Con.*

GENERAL EXPENSE—*Continued.*		$ cts
Repair and maintenance of shipyard railway		456 93
Difference with pay rolls		178 10
Fences		171 38
Telephones—Shipyard	213 28	
Bell Telephone Co.	102 27	
		315 55
Stationery		226 15
Postage stamps		100 00
Telegrams		24 69
Saw mill		103 92
Oars for shipyard workmen		144 97
Sundries		265 83
Deficit in stable account		1,299 24
		$ 2 2,940 67
Less—Surplus of ways account		1,294 06
		$ 21,646 61

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
General expense account	24,996 44	27,834 84	21,646 61

OFFICE EXPENSE.	$ cts.
Salaries of clerks	2,137 46
Cleaning	199 00
Stores	122 84
	2,459 30

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Office expense	1,944 04	1,986 14	2,459 30

COST DEPARTMENT.	$ cts.
Salaries of Cost Clerk and assistants	2,942 64

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Cost Department account	1,876 24	2,452 11	2,942 64

PROTECTION.	$ cts.
Wages of watchman	3,809 09
Less ¾ charged to Fleet General Expense	2,856 77
	$ 952 32

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Protection account	782 40	803 35	952 32

STABLES.	$ cts.
Wages of stablemen	1,235 83
Stores	2,225 51
Wagon repairs	1,229 15
Building repairs	278 13
Blacksmith shop	116 61
Power, heat and light	27 00
	$ 5,112 23

	1907-08. $ cts.	1908-09. $ cts.	1909-10. $ cts.
Stables account	4,474 98	4,327 55	5,112 23

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10—*Con.*

STORE EXPENSE.

	$ cts.
Salaries of store keeper and assistants	7,401 21
Yard	6,163 61
Teamsters and horses	1,939 96
Power, heat and light	1,098 00
Building repairs	906 32
Stores	80 81
Machine shop	108 22
Drafting	26 46
Saw mill	41 62
Inventory of structural steel	92 45
Sundries	175 32
	$ 18,033 98

	1907-08.	1908-09.	1909-10.
	$ cts.	$ cts.	$ cts.
Store expense account	15,699 51	18,892 96	18,033 98

POWER, HEAT AND LIGHT.

	Fire Hold No. 1.	Fire Hold No. 2.	Total.
	$ cts.	$ cts.	$ cts.
Boiler rooms—			
Firemen	1,717 95	755 41	2,473 36
Teamsters	922 94	108 30	1,031 24
Yard	110 44	219 89	330 33
Stores	191 84	124 90	316 74
Boiler repairs and sundries	506 07	324 97	831 04
Fuel—			
Coal	6,246 00	760 50	7,006 50
Coke		1,820 71	1,820 71
	9,695 24	4,114 68	13,809 92
Building repairs			55 27
Steam pipes repairs			258 61
Draughting			8 65
			$ 14,132 45
Power house—			
Sorel Electric Co.		17,464 63	
F. A. Cote, salary		1,699 92	
Electricians		2,697 92	
Stores—			
Power house	202 53		
Electric light	59 56		
		262 09	
Building repairs		37 88	
Maintenance		367 60	
Change of voltage		247 08	
Maintenance of air pipes and compression		1,125 49	
Sundries		91 67	
			23,994 28
			$ 38,126 73

	1907-8.	1908-9.	1909-10.
	$ cts.	$ cts.	$ cts.
Power, heat and light account—			
Boiler rooms	11,604 67	14,141 03	14,132 45
Power house	22,905 29	23,106 10	23,994 28
	34,509 96	37,247 13	38,126 73

SESSIONAL PAPER No. 57

STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR 1909-10—*Con.*

SAWING.

Dr.			Cr.		
Raw Material.			Product.		
	$ cts.	$ cts.	Ft. B.M.	$ cts.	
White pine—					
58,812 c. ft	14,907 65				
56,864 ft. b.m	2,518 66				
18,011 lin. ft	2,331 45				
		19,757 76	556,882	26,116	11
B.C. fir—					
1,080 ft. b.m		47 97	1,150	64	05
Elm—					
220,207 ft. b.m		9,501 70	129,963	8,432	97
Red pine—					
105,083 ft. b.m		4,283 34	98,327	5,900	21
Oak—					
2,269¼ c. ft	1,579 80				
804 ft. b.m	44 22				
152 lin. ft	45 60				
		1,669 62	23,458	1,638	76
Cypress—					
1,880 ft. b.m		84 60	14,685	898	29
Spruce—					
91 lin. ft		15 47	836	25	08
Maple—					
144 lin. ft		36 00	1,320	66	00
Hemlock—					
31 lin. ft		5 58	194	5	82
White ash—					
75 ft. b.m		2 48	64	3	20
Slabs			(Cords) 693	2,079	00
		35,404 52			
Labour—					
Direct	2,989 84				
Indirect	927 25				
		3,917 09			
Surplus		5,907 88			
		45,229 49	.....	45,229	49

RECAPITULATION.

	1907-08.			1908-09.			1909-10.		
	Direct.	Indirect.	—	Direct.	Indirect.	—	Direct.	Indirect.	—
	$ cts.	$ cts.	p.c.	$ cts.	$ cts.	p.c.	$ cts.	$ cts.	p.c.
Asbestos department	1,296 57	406 29	33¼	3,289 31	1,472 34	44⅝	5,791 06	1,527 18	26·35
Blacksmith shop	10,762 45	7,993 10	74¼	10,345 55	7,608 15	73½	13,521 44	9,375 61	89·34
Boiler shop	64,341 05	43,036 99	67	74,721 44	43,305 12	58	83,204 27	40,349 81	48·50
Cabinet shop	3,026 98	3,976 98	151⅓	3,742 56	3,438 19	92	3,451 47	3,584 07	35·34
Carpenter shop	28,995 62	7,199 00	25	34,431 33	6,364 43	18½	37,712 67	5,707 45	35·34
Caulkers	7,721 84	1,658 44	22	9,013 90	1,331 39	14⅝	9,773 20	943 11	35·34
Draughting	6,934 76	4,267 78	61½	7,836 36	3,313 80	42 5/16	8,674 92	2,140 81	24·66 5/16
Electrical shop	3,609 39	2,150 45	60	2,715 70	1,882 16	69	3,497 97	1,518 48	43·4
Mould loft	7,367 80	3,702 48	50¼	7,506 19	4,919 22	65½	7,179 42	4,670 41	65·05
Machine shop	23,357 67	14,007 24	60	29,860 04	13,751 80	46	40,517 76	13,867 10	34·22
Paint shop	16,790 01	4,683 13	28	19,449 60	5,122 26	26¼	22,653 79	4,871 09	21·55
Pattern shop	5,512 29	5,547 60	99	5,726 51	5,432 85	95	6,025 85	5,014 73	83·22
Pipe shop	10,787 43	5,041 78	47	9,712 76	3,952 21	40¾	11,631 65	4,503 45	38·71
Yard	24,745 15	4,906 73	20	27,694 13	5,582 47	20	31,445 43	5,141 18	16·35
Saw mill	6,123 10	12,748 22	208	7,299 21	10,783 77	147¾	6,806 57	10,172 93	35·34
	221,372 11	121,326 21	.....	253,345 09	118,260 16	.....	291,887 47	113,387 41	.....

Average Percentages of all shops together :—1907-08, 54⅞ p.c. ; 1908-09, 46¾ p.c. ; 1909-10, 38 85 p.c.

The difference in the percentages of the following during the fiscal year 1909-10, is explained by the fact that cabinet shop, carpenter shop, caulkers and sawmill being under the same foreman and closely related to each other, a uniform percentage was calculated for these wood-working departments. The same arrangement for previous years would have given the following:—

1907-08	$55^{79}/_{100}$ per cent.
1908-09	$40^{23}/_{100}$ "
1909-10	$35^{34}/_{100}$ "

RECAPITULATION OF STATEMENT OF SHOP EXPENSE FOR FISCAL YEAR, 1910-1911.

Producing Departments.	Direct.	Indirect.	Percentage of Indirect to Direct.
	$ cts.	$ cts.	p.c.
Asbestos department	5,240 83	1,560 20	29·77
Blacksmith shop	15,095 50	10,192 93	67·52
Boiler shop	95,866 11	40,309 40	42·04
Draughting	9,098 13	3,656 80	40·19
Electrical shop	3,931 88	1,219 53	31·02
Machine shop	44,214 46	17,416 26	39·39
Mould loft	7,675 57	4,811 39	62·68
Paint shop	22,414 16	4,099 97	18·29
Pattern shop	5,303 12	5,452 47	102·81
Pipe shop	13,469 21	4,617 91	34·28
Yard	36,665 38	7,756 28	21·15
Cabinet shop	3,879 22	4,987 32	33·82
Carpenter shop	41,733 38	5,453 66	
Caulkers	10,576 18	915 12	
Saw mill	5,638 42	9,556 02	
	320,821 55	122,005 26	38·03

EXPENSE OF NON-PRODUCING DEPARTMENTS.		$ cts.
General expense		21,579 93
Office expense		3,182 49
Cost department		2,815 96
Protection	$ 3,817 92	
Less $\frac{3}{4}$ charged to fleet	2,863 44	954 48
		$ 28,532 86

SUNDRIES.	
Stables	5,538 22
Store expense	27,048 74
Power, heat and light	42,403 46
Sawing	54,551 02
	$ 129,541 44

Respectfully submitted,
W. S. JACKSON,
T. H. SCHWITZER.

OTTAWA, 12th May, 1912.

APPENDIX "A"

PARTICULARS OF BUILDINGS IN SOREL SHIP YARD.

No. of Building.	Description.	Size.	Used For.	Remarks.
	NEW BOILER SHOP.			
2	Made in three parts: boiler shop on piles, steel structure, double boarded, sheet iron roofing on boards, large windows; rollers shop, concrete foundations, steel structure, board and sheet iron roofing, double boarded, large windows; janitor's office on piles, triple boarded—floor and ceiling, board and sheet iron roofing.	Boiler shop 200 ft. long and 60 ft. wide, 20 ft. columns; Rollers shop 62 ft. long x 36 ft. wide, 20 ft. columns; Janitor's office 22 ft. long x 12 ft. wide, 12 ft. studs.	Boiler shop, Roller's shop and Janitor's office.	Good condition.
	OLD BOILER SHOP.			
3	Old building on piles, wooden framed, half single boarded and half double boarded, board and shingle roofing; first story on ground, second story with a good floor and ceiling, good windows; one part is sheet iron roofed, about 40 ft. x 30 ft.	233 ft. long, 31 ft. 6 in. wide; 15 ft. studs.	1st story as shape bending shop, boiler shop and steamfitter shop—also an office for yard. Second story used as a mould loft.	Fair condition.
	OFFICES AND STORES.			
4	Old building, on piles, wooden, framed; one part triple boarded, one part double boarded, good floors and ceiling, small windows, board and shingle roofed.	267 ft. x 31 ft., 16 ft. studs.	Offices and stores; also serving department	
	MACHINE SHOP.			
5	Main body: stone foundation, solid brick built three story high with iron doors, wooden framed, board and sheet iron roofed; the two aisles on piles, wooden framed, large windows and sky lights, double boarded, board and sheet iron roofed, good floors, strong timber.	Main body: 60 ft. x 30 ft., 35 ft. walls; one aisle 120 ft. x 50 ft., 21 ft. studs; other aisle 99 ft. x 50 ft., 21 ft. studs.	Main body is fire hold No. 1; one aisle is machine shop, the other is machine shop at first story and pattern shop at 2nd; 2nd and 3rd stories of main body are used to keep patterns.	Good condition.
	BLACKSMITH SHOP.			
6	On piles, wooden framed, double boarded, large windows, board and sheet iron roofed.	85 ft. x 60 ft., 18 ft. studs.	Smithshop with an annex for the horse shoer.	Poor condition.
	WIRE ROPES, IRON AND WOOD STORE.			
7	On piles, wooden framed, shingle boarded, sheet iron and board roofed, front side with rolling doors.	190 ft. x 18 ft. 6 in., 13 ft. studs.	Waste shed contains wood, iron, life boats, &c.	Good condition.
	STABLES AND STORE.			
8	On piles, wooden framed, half double boarded, half single boarded, good floors, small windows, board and shingle roofed; good divisions in stable.	100 ft. x 26 ft., 12 ft. studs.	Half used as stables and half as store and carriage room; second story for hay and grain.	Fair condition.

PARTICULARS OF BUILDINGS—*Continued.*

No. of Building.	Description.	Size.	Used for.	Remarks.
	SPAR SHED.			
9	On piles, wooden framed, single boarded, sides movable, no floor, no windows, board and sheet iron roofed.	100 ft. x 30 ft. 6 in., 12 ft. studs.	Carpenter shop opened all around when wanted.	Fair condition.
	ICE HOUSE.			
10	On piles, wooden framed, quadruple boarded, double ceiling, board filled with sawdust, board and shingle roofing.	50 ft. x 24 ft., 12 ft studs.	Ice house.	Good.
	RIVET SHED.			
11	On piles, double boarded, floors, small windows, board and shingle roofing.	60 ft. x 26 ft., 12 ft. studs.	Shed for rivets and nails.	Good.
	RIVET SHED.			
12	On piles, double boarded, floors, small windows, board and shingle roofed.	61 ft. x 26 ft., 13 ft. studs.	Shed for rivets and nuts.	Good.
	MANILLA SHED.			
13	On piles, double boarded, floors, double windows, board and shingle roofed.	33 ft. x 26 ft., 14 ft. 6 in. studs.	Shed for manilla ropes.	Good.
	OIL SHED.			
14	On piles, double boarded, floors, double windows, board and shingle roofed.	24 ft. x 21 ft., 14 ft. 6 in. studs.	Shed for oils.	Fair.
	FLEET STORE.			
15	On piles, three story building, wooden framed, double boarded, board and sheet iron roofed, good windows and locked rooms, stairs and elevator.	100 ft. x 30 ft. 6-in.; 28 ft. studs.	Fleet furniture winter quarters.	Good new building.
	POWER HOUSE.			
16	Solid brick building with outside in Laprairie pressed brick, limestone trimmings, stone foundations, concrete floor, steel structure, fire proof building, appendix containing waterworks in sub-soil concrete, piles under concrete foundations.	53 ft. x 33 ft.; 20 ft. columns.	Power house.....	Good new building.
	SAWMILL.			
17	Main body : concrete foundation resting on piles to strengthen the soil, steel structure, double boarded, spacious basement, sheet iron and board roofed, good windows and doors, two similar aisles on piles, wooden framed, single boarded, board and sheet iron roofed, good windows, an annex for w.c. on piles.	Main body 70 ft. x 60 ft.; 28 ft. columns ; aisles 55 ft. x 28 ft., 13 ft. studs ; w. c. 10 ft. x 8 ft., 8 ft. studs.	Basement contains motors and shaftings ; 1st story, sawmills and offices ; 2nd story, cabinet shop and the saw filing installation.	Good new building.
	PAINT SHOP.			
18	On piles, wooden frame ; new building, good windows and doors, triple boarded, board and sheet iron roofed, particularly good floors, ceilings, stairs inside and outside.	170 ft. x 35 ft., 19 ft. studs.	1st story as paint-shop decoration room and asbestos department ; 2nd story all along for a mould loft.	Good new building. Good.

PARTICULARS OF BUILDINGS—*Continued.*

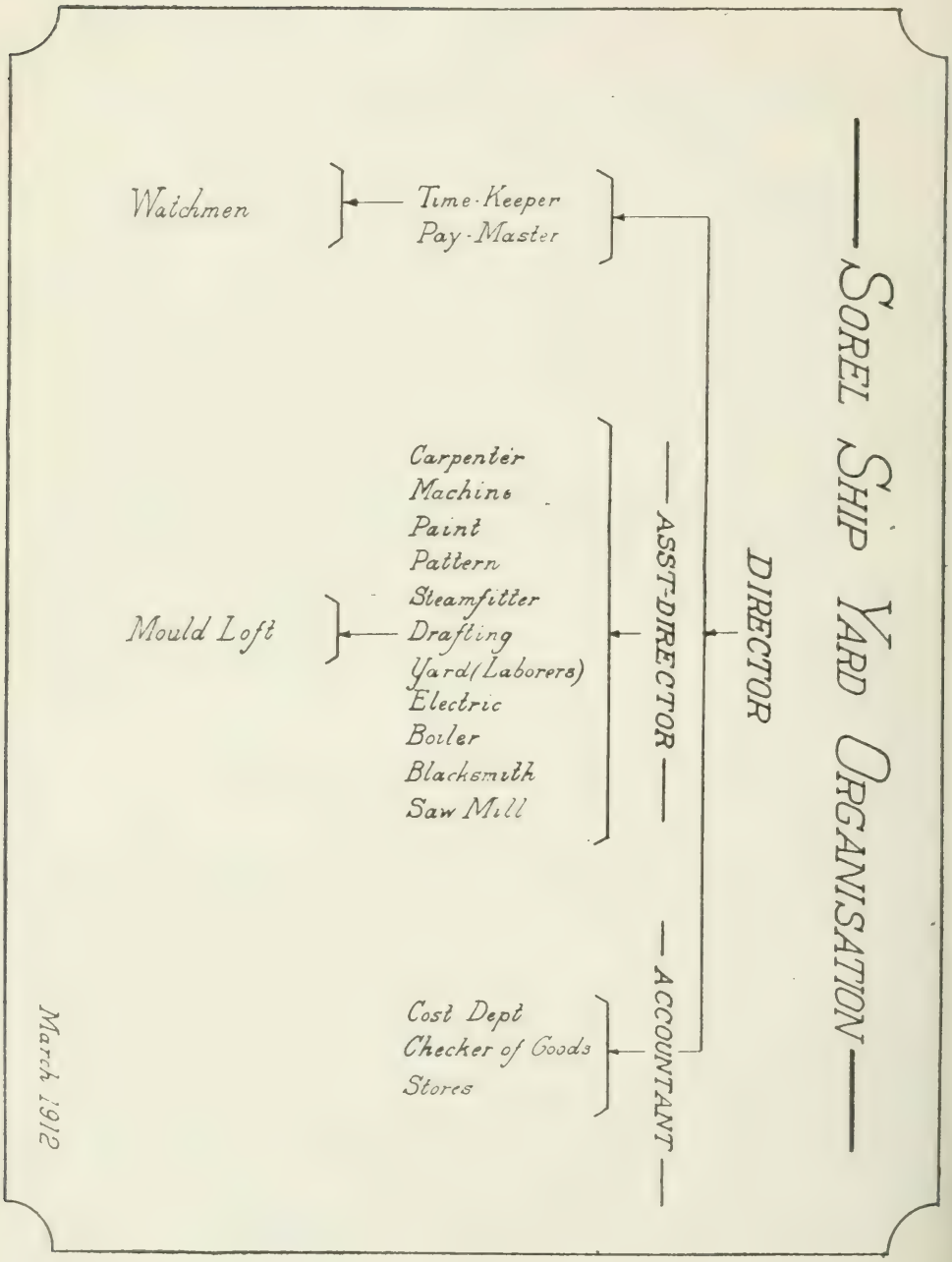
No. of Building.	Description.	Size.	Used for.	Remarks.
	PATTERN SHOP.			
19	On piles, double boarded, wooden framed, three floors, good windows and doors, board and sheet iron roofed.	100 ft. x 30 ft., 28 ft. studs.	Shed for patterns...	Good new building.
	DRY WOOD STORE.			
20	On piles, wooden framed, single boarded, rolling doors, board and sheet iron roofed, interior divided into racks.	51 ft. x 26 ft., 16 ft. studs.	To keep dry wood coming from dry kiln.	Good.
	No. 2 FIRE HOLD.			
21	Concrete foundation, wooden framed, but space is allowed to put a 12-in. solid brick wall; double boarded, concrete floor and concrete base to boilers, board and sheet iron roofed.	53 ft. x 28 ft.....	Fire hold No. 2 receiving fuel from sawmill by a fanner.	Good new building.
	CASTING SHED.			
22	On piles, wooden framed, single boarded, rolling doors, good windows, floors, board and sheet iron roofed; the annex is a platform to put castings outside, and around all is a fence forming a square with doors locked.	51 ft. x 32 ft., 18 ft. studs; platform 100 ft. x 35 ft.; square space locked, 130 ft. x 80 ft.	Shed for castings. 1st story for middle weight castings; 2nd story for brass and finished pieces; heavy castings on platform.	Good.
	DRY KILN.			
23	On piles, quadruple boarded, wooden framed, double ceiling, hoisting doors, ventilators, board and sheet iron roofed.	51 ft. x 26 ft., 11 ft. studs.	Dry kiln	Good.
	MACHINERY SHED.			
24	On piles, wooden framed, double boarded, good floors, board and sheet iron roofed.	56 ft. x 36 ft., 17 ft. studs.	Shed for machinery..	Good.
	ANGLE BENDING SHED.			
25	Concrete pillars, wooden framed, single boarded, opened arched front, board and sheet iron roofed with portable panels.	50 ft. x 25 ft., 10 ft. studs.	Shape bending forge.	Poor.
	NEW WAYS WINCH BUILDING.			
26	Pile foundations, wooden framed, single boarded; one side opened, board and sheet iron roofed.	24 ft. x 19 ft., 11 ft. studs.	New ways hoisting winch building.	Good.
	SCALE HOUSE.			
27	On piles, wooden framed, single boarded, board and shingle roofed.	27 ft. x 16 ft., 10 ft. studs.	Platform scale house.	Good.
	REELS BUILDING.			
28	On piles, wooden framed, single boarded, board and shingle roofed.	27 ft. x 16 ft., 10 ft. 6 in. studs.	Reels for fire apparatus building.	Good.
	OLD WINCH HOUSE.			
29	On piles, wooden framed, single boarded, board and shingle roof.	16 ft. x 15 ft., 9 ft. studs.	No use..	No good

PARTICULARS OF BUILDINGS—*(Continued).*

No. of Building.	Description	Size.	Used for	Remarks.
	OAKUM HOUSE.			
30	Old wood superstructure of boat placed on pieces of wood, linen roofed.	35 ft. x 12 ft.; 8 ft., high.	Oakum shop.....	No good
	SHEAR LEGS HOISTING WINCH.			
31	Concrete and stone foundation, wooden framed single board, board and sheet iron roofed.	22 ft. x 16 ft., 9 ft. studs.	40 ton shear legs hoisting winch covering	Good
	LAUNCHES—REPAIRING SHOP.			
32	On piles, wooden framed, double boarded, good floor, board and shingle roofing.	15 ft. x 12 ft., 7 ft. studs.	Repairing shop for launches	Good
	SHED FOR LAUNCHES.			
33	Piles on ground, single boarded, wood framing, board covering.	61 ft. x 30 ft., 10 ft. studs.	Shed for launches and life boats	Good
	IRON KEEPER'S HOUSE.			
34	On piles, wooden framing, double boarded, shingle roofing.	13 ft. x 8 ft., 7 ft. studs.	House for the iron stock keeper	Fair
	W. C. DOUBLE.			
35	Concrete foundation, wood framing, double boarded, sheet iron roof.	14 ft. x 11 ft., 7 ft. studs.	Water closet.....	Good
	W. C. SINGLE.			
36	Concrete foundation, wood framing, double boarded, paper roofing.	18 ft. 6 in. x 5 ft. 6 in.; 7 ft. studs.	Water closet.....	Good

APPENDIX B.—*Yard Plan (Not printed.)*

APPENDIX C.


SOREL SHIP YARD ORGANISATION
DIRECTOR
ASST-DIRECTOR
ACCOUNTANT
Watchmen
Time-Keeper
Pay-Master
Mould Loft
Carpenter
Machine
Paint
Pattern
Steamfitter
Drafting
Yard (Laborers)
Electric
Boiler
Blacksmith
Saw Mill
Cost Dept
Checker of Goods
Stores
March 1912

APPENDIX D.

CROSS EXAMINATION held in Sorel Government Shipyard on the 24th March 1912, by Messrs W. S. Jackson and T. H. Schwitzer.

Mr. JEAN BILODEAU. (MACHINE SHOP FOREMAN.)

Q. What is your name? A. Jean Bilodeau. Q. Since how long do you work in the yard? A. I am in the yards since 18 years. Q. Since how long are you foreman? A. Three years as foreman. Q. Where were you employed before coming into the yard? A. In the harbour of Montreal. Q. What sort of work did you do there? A. Machine work of all sorts, repairs, etc. Q. How old are you? A. 49 years. Q. What is your authority concerning the employment and discharging of men? A. I do not discharge any men. I make reports to Mr. Papineau. I have no authority. Q. Do you consider all the men employed in your department as permanent employees? A. Yes. Q. What do you do when a man comes late to work, two or three times a week. Do you report him accordingly? A. I make no report. When this happens too often, the man is suspended. Q. How many men are absent every day from your department, on an average? A. Five or six every day, on an average. Q. Do you consider that you have enough men in your department for the work you have to do? A. Yes. Q. Do you consider that you have more men in your department than you need? A. Not for the present, I have none too many. I have just the number I want. Q. How many men have you employed in your department during summer? A. From 92 to 95. Last summer I had 96. Q. On what work are those men employed during the summer? A. They are employed on repairs and on new construction. Q. How do you get a new employee when you need one? A. I ask Mr. Papineau for one. Q. Are you ever sent a new man when you have not asked for one? A. Yes, sometimes. Q. In that case, what do you do with that man? A. I give him work. Q. Do they ever send you a new man when you have no work for him? A. No. Q. Are you ever allowed to choose your own men? A. No, not all of them. Q. Do you consider all the men who are sent to you as being competent for the work of your department? A. I always choose work for them which they are able to do. Q. If they are not competent what do you do with them. A. I always give them work for which they are competent. Q. Do you fix the men's salaries yourself? A. No. Some times, because Mr. Papineau asks how much they are worth. Q. Do you report to the Director concerning the ability of a new employee before his salary is fixed? A. Yes, when Mr. Papineau sends for me and asks me what salary the man should be paid. Q. When a man comes late to work, does he report to you? A. No he does not make any report to me. If he comes at 9.30 he comes and reports to me. Q. What do you do when a man is disobedient or misbehaves? A. I make an immediate report to Mr. Papineau. Q. How can you check the time a man spends on a job? A. The time is marked on sheets. All the men's time is marked on sheets. Q. Do you place the men of your department yourself on the different kinds of work? A. Yes. Q. To whom do you report? A. Generally to Mr. Papineau, sometimes to Mr. Terreault. Q. Whom do you get your instructions from? A. Mr. Papineau and Mr. Terreault. Mr. Terreault sends us orders, but very often these come from Mr. Papineau. Q. What work have you on hand at the present time? A. We are finishing repairs to the fleet and especially repairs to the machinery on board Nos. 26 and 38. We also have machinery to make for No. 37. We have two scows to make. In fact we have lots of work. Q. How many men have you employed in your department who are not on construction work? A. I have an assistant, a man to sweep the shop, and a man to take care of the tools; in all three men.

Q. Who are these men? A. Casabon, Duplessis and Goulet. Q. Have you a clerk in your department and what is his work? A. No. I have no clerk. My assistant does all that work. Q. Who takes your place during your absence? A. My assistant, Casabon. Q. Do you punch the time-clock? A. No. Q. Do you report to the time-keeper every day, and if so how? A. Yes, I report three times a day. I have no order but I do it all the same. Q. Have you any other men in your department who do not punch the time-clock? A. No, I am the only one. Q. Do other departments or other officers interfere in what you consider the right way of managing your department? A. No, never. Q. Have you more men in your department now than you had last year at the same period? A. No, we have about the same number. Q. Have you more work ahead of you this year than last year? A. No, it is about the same thing. Q. Have you any changes to suggest in the way of managing your department through which you might obtain better work from your men without more expense to the Government? A. Yes, there should be more authority given to the foremen. A foreman should be able to discharge a man himself. He should be able to give good wages to those who deserve them and discharge the others. That is the only way to succeed. As it is now, when a man is discharged he procures outside influence. The Director is influenced by the Members of Parliament and that influence affects the foremen also. We often hear men who are discharged say: 'Never mind, I am going to see my Deputy'. There should be no political pressure on the management of the yard. A change in this would produce economy. Q Have you any complaints to make? A. I have no complaints to make personally. I have never bothered myself about other departments and apart from what I say above, everything is all right. It is my department which has always given better satisfaction. Q. Can you read and write? A. Yes. Q. Are you paid for extra work? A. No. My men are paid for working after hours. They are paid time and a half. Q. How many men have you under your control? A. Twenty-six. I have two mechanics and the rest are helpers. Q. Are the helpers paid the same wages as the mechanics? A. No. They only get full pay as helpers. Q. Are any of your men on this list considered no good? A. No, they are good according to the wages they get. Q. Is there any one that you could do without and the work go on the same? A. No, I have work for all I have. Q. What do the helpers do? A. I have a gang of them in the shop who put down the big pieces of machinery and do all the heavy work in the machine shop. I have to keep a gang there all the time. They are kept busy all the time. They put the work together and they are busy. I have nine men there. Q. Do you need them all? A. Yes, every winter the buckets are put inside the shop. My men work harder than any one else in the yard. My men are not all mechanics. They are helpers and if I were to employ all machinists this would prove more expensive. As a man gets more valuable he is given a raise of wages.

Mr. BRACONNIER (Boiler Shop Foreman).

Q. What is your name? A. M. Braconnier. Q. How long have you worked in the yard? A. 15 years. Q. Since how long are you a foreman. A. 15 years. Q. Where were you employed before coming into the yard? A. I worked for the Richelieu Company for one year. Then I worked four years on the elevators in Montreal. Q. What sort of work did you do there? A. I was second engineer on board the Richelieu boats and did repair work. Q. How old are you? A. 56 years old. Q. What is your authority concerning the employment and discharging of men? A. I have no authority at all. I can discharge men but they always come back with a letter or order from the Member of Parliament about two or three days after and I am obliged to take them back. Q. Do you consider all the men employed in your department as permanent employees? A. The good men, of old standing, are considered as permanent. The new ones are not permanent and can be discharged at any time. Q. What do you do when a man comes late to work, two

or three times a week. Do you report him accordingly? A. No, I don't report him. When it happens too often I reproach him with it, but for late coming two or three times I do not report him as long as the work does not suffer. Q. How many men are absent every day from your department on an average? A. From 20 to 25. Some times 30, but on an average between 20 and 25. Q. Do you consider that you have enough men in your department for the work you have to do? A. I have too many. I have made a report to the effect of discharging from 20 to 25. Q. How many men have you employed in your department during summer? A. On an average I have from 190 to 195. Q. On what work are those men employed during the summer? A. They work at the flanges and others putting work together and repairs. Q. How do you get a new employee when you need one? A. I have never had occasion to ask for one. My men are always sent to me before I ask for them. Q. Is a new man ever sent to you when you have not asked for one? A. Yes. Q. In that case what do you do with that man? A. I put him with the gang, and I give him work. Q. Do they ever send you a new man when you have no work for him? A. Yes. Q. Are you ever allowed to choose your own men? A. No. I do not make the choice. Q. Do you consider all the men sent to you as competent for the work of your department? A. No, they are not always competent. Q. If they are not competent, what do you do with them? A. I do the best I can with them. I consider these worth something and I make a recommendation accordingly. Complaints are made to me sometimes about the wages being too low. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. Yes. Q. Do you fix the men's salary yourself? A. Sometimes. At other times, I have no knowledge of the question. Q. Do you report to the Director concerning the ability of a new employee before his salary is fixed? A. Yes, sometimes when the occasion presents itself. Q. When a man comes late to work, does he report to you? A. No. He cannot punch the clock and that is a check on him as he loses a quarter day. When he comes at 9.30, he is forced to report to me. Q. What do you do when a man disobeys or misbehaves? A. I make a report to Mr. Papineau. That man is suspended for one or two days. He returns to me and things are sometimes no better. If he continues to come late I report him again; he is suspended again and his time is lost. Q. How can you check the time he spends on a job? A. I keep no record of that. Q. Do you place the men of your department on the different kinds of work yourself? A. Yes. Q. To whom do you report? A. To Mr. Papineau. Sometimes to Mr. Terreault, when Mr. Papineau is absent. Q. Whom do you get your instructions from? A. From Mr. Papineau. Q. What work have you on hand at the present time? A. We have scows to repair, some boilers, etc. The new construction of dredges 26 and 27. Two boilers is new work. Q. How many men have you employed in your department who are not on construction work? A. I have a clerk, nine foreman. Q. Who are these men? A. Their names are on the list. Q. What are they employed at? A. The clerk checks the men's time, but he also works. The foremen see that the men are at work on jobs which I cannot see to myself.

Q. Who takes your place during your absence? A. I have never been absent one hour. Q. Do you punch the time-clock? A. No. I work enough, night and day, and I dont need to punch the clock. Q. Do you report to the time-keeper every day, and if so, how? A. I report every day, as to the men and the work going well. Q. How often do you report to the time-keeper? A. Twice a day. Q. Have you any other men in your department who do not punch the time-clock? A. No. They all punch. Q. Do other departments, or other offices, interfere in what you consider the right way of managing your department? A. No, not that I know of. Nobody interferes. Q. Have you more men in your department now then you had last year at the same period? A. Yes. Q. Have you more work ahead of you this year than

last year? A. No. We have only a dredge to finish. We are to discharge 120 men at the end of the month. At the other pay-day, we are to discharge 40 more because the work on the fleet will be finished and I shall have too many men. Q. Have you any changes to suggest in the way of managing your department, through which you might obtain better work from your men without more expense to the Government? A. Yes. The great objection is that foremen have not enough authority over the men and cannot control them as they would like. I have knowledge of men and I can tell when their salary is not sufficient, and when they come to me, I should be able to settle the question myself and not send them to Mr. Papineau. Again, I would take men when I needed them and would discharge them when they would be required no longer. If the foremén had more authority they would be better. A foreman should have full control over his men, pay according to their work, take on and discharge them as he sees fit. Q. Have you any complaints to make? A. None, except what I have stated above. Q. Can you read and write? A. No. Q. Are you in charge of boiler makers, ship platers, riveters, caulkers, drillers? A. Yes. Q. Are you in charge of men working on board the ships? A. Yes, of all men except the carpenters, joiners, etc. Q. How many under-foreman have you? A. Sometimes 7, sometimes 10 and sometimes 12. Q. Are you paid extra for working overtime? A. No. Q. Are the men paid extra for working overtime? A. Yes, the men are paid extra for working overtime. The under-foremen are also paid extra. Men and under foremen are paid time and a half. Q. Do you mast and rig the vessels? A. Yes, we put in the masts, but the rigging is done by two special men under the head-carpenter. Q. Are you responsible for putting boilers on board? A. Yes. Q. Will you rig up the new shear legs and move all heavy wenghts about the yard? A. Yes.

Mr. ALEXIS GENDRON (Yard Foreman).

Q. What is your name? A. Alexis Gendron. Q. How long have you worked in the yards? A. Since 1896, 16 years. Q. Since how long are you foreman? A. Since 1897, 15 years. Q. Where were you employed before coming into the yard? A. The Richelieu Company. Q. What sort of work did you do there? A. Carpenter's work. Q. How old are you? A. 54 years old. Q. What is your authority concerning the employment and dismissal of men? A. I have no authority whatever. Q. Do you consider all the men in your department as permanent employees? A. No, they are not all permanent. Q. What do you do when a man comes late to work, two or three times a week. Do you report him accordingly? A. I do not report him, as the time-clock controls the men's time when they are late. Q. How many men are absent every day from your department on an average? A. 7 or 8 on an average. Q. Do you consider that you have enough men in your department for the work you have to do? A. At the present time, yes. Q. Do you consider that you have more men in your department than you need? A. No, I have none too many. Q. How many men have you employed in your department during the summer? A. From 125 to 130 on an average. Some summers we have more than that. Q. On what work are those men employed during summer? A. Unloading material, iron, wood coming on the cars, then construction, handling of heavy pieces, &c. Q. How do you get a new employee when you want one? A. I ask Mr. Papineau for one. Q. Is a new man ever sent to you when you have not asked for one? A. Yes. Q. In that case what do you do with the man? A. I put him at work on a job which I think he is fit for. Q. Do they ever send you a new man when you have no need for him? A. I always have work for those they send me. Q. Are you ever allowed to choose your own men? A. No, not all. Q. Do you consider all the men sent to you as being competent for your work? A. No, they are not all competent. Q. If they are not competent, what do you do with them? A. I make a report to the Director. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. I give him a trial, then I put him

at the work he can do. Q. Do you fix the man's salary yourself? A. No, I do not. Q. Do you report to the Director concerning the ability of a new employee before his salary is fixed? A. Not always. I make a report when I am asked to. When a salary is a little higher than others it is because I have recommended it. Q. When a man comes late to work, does he report to you? A. Sometimes they come and tell me it is too late for them to work. Q. What do you do when a man disobeys or misbehaves? A. I make a report to the Office. Q. How can you check the time a man takes to do a job? A. No record is kept of that; we use our own judgment to calculate the time taken. Q. Do you put the men of your department on the different kinds of work yourself? A. Yes, I do. Q. To whom do you report? A. To the Director or to the Assistant Director. Q. Whom do you get your instructions from? A. Generally from the Assistant Director. Q. What work have you on hand at the present time? A. We have the dredge No. 8, new piping for the pumps. Repairs to the *Terrebonne;* then the construction of No. 38; the putting in shape of things for the getting out of boats in the Spring. Q. How many men have you employed in your Department who are not on construction work? A. I have a clerk and 10 sub-foremen. Q. Who are these men—what are they employed at? A. The sub-foremen keep the men's time and the clerk transfers them to the office. They do other work besides, seeing that the men work. Q. Who takes your place during your absence? A. I have been replaced twice by my first sub-foreman, Mr. Cornoyer, eight days in all. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. The clerk makes report to the timekeeper. The timekeeper sees me every day and I have no report to make to him personally. Q. How often do you report to the timekeeper. A. Report is made every day by the clerk and sub-foreman. Q. Have you any other men in your department who do not punch the time-clock. A. No, they all punch the clock. Q. Do other departments, or other officers interfere in what you consider the right way of managing your department? A. No, nobody interferes. Q. Have you more men in your department now than you had last year at the same period? A. I have about the same number. Q. Have you more work ahead of you this year than last year? A. No. Q. Have you any changes to suggest in the way of managing your department, through which you might obtain better work from your men, without more expense to the Government? A. If we had more authority over the men, things would be better. The men now are put in by the Members of the House, and this is unfortunate for the yard. The men are independent and we lack authority over them. Q. Have you any complaints to make? A. No, except what I have said just now. Q. Can you read and write? A. Yes. Q. Are you paid extra for additional time put in? A. No, I am not paid extra. The men and sub-foremen are paid extra but not me. Q. Can you discharge any men? A. No. Q. Have you any men whom you consider as of no use to you, whom you would like to see discharged? A. No, I need all the men I have.

Mr. SIMEON CHATEAUVERT (Blacksmith Shop Foreman).

Q. What is your name? A. Siméon Chateauvert. Q. How long have you worked in the Yard? A. Since 1875, but I was away five years. Q. Since when are you foreman. A. I am foreman since five years. Q. Where were you employed before coming into the Yard? A. I was employed with Messrs. Beauchemin at Sorel. Q. What sort of work did you do there? A. I worked on the boats, in the mills, blacksmith work, at work of my trade. Q. How old are you?. A. 63 years old. Q. What is your authority concerning the employment or dismissal of men?. A. I have not the authority I should have. Q. Do you consider all the men employed in your department as permanent employees?. A. Yes, they may be considered permanently employed. Q. What do you do when a man comes late to work two or three times a week. Do you report him accordingly? A. I make no report. The

time clock is there for that purpose. Q. How many men are absent every day from your department on an average? A. Sometimes one or two, but as a rule everyone is there. Q. Do you consider that you have enough men in your Department for the work you have to do? A. I have enough now, but in a short time I shall have too many. Q. Do you consider that you have more men in your Department than you need? A. Not now. We might dismiss a few, but the rest of them would have to work harder and be paid higher wages, although they do good work now. Q. How many have you employed in your Department during summer? A. About the same number as now. Q. On what work are those men employed during summer?. A. On ship repairs and on new construction work. Q. How do you get a new employee when you need one? A. I ask the Director for one. Q. Is a new man ever sent you when you have not asked for him? A. No. We get exactly the number we require. Q. Do they ever send you a new man when you have no work for him? A. No. Q. Are you ever allowed to choose your own men? A. I recommend my men and they are chosen. Q. Do you consider all the men sent to you as competent for the work of your department? A. Yes, I think they are all competent for their work. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. Yes. When I recommend a man I know what work he can do, and I put him at it. Q. Do you fix the man's wages yourself? A. No. The salaries are fixed at the Office, but when an employee takes the place of another one he gets the same salary as that other one did. Q. Do you report to the Director concerning the ability of a new employee before his salary is fixed? A. Yes. Q. When a man comes late to work, does he report to you? A. No, because he cannot start to work, he cannot come in. Q. What do you do when a man disobeys you or misbehaves? A. I report and make a complaint, but this does not often happen. Q. How can you check the time a man spends on a job? A. We do not keep a record, but my experience teaches me whether the time spent on a job is reasonable or not. I always see that a job is finished within a reasonable time. Q. Do you put the men of your Department on the different kinds of work yourself? A. Yes. Q. To whom do you report? A. To the Director, Mr. Papineau. Q. Whom do you get your instructions from? A. From Mr. Papineau. Q. What work have you on hand at the present time? A. Repairs to ships, dredges, tugs. General repairs. Q. How many men have you employed in your Department who are not on construction work? A. I have a clerk. Q. Have you a clerk in your Department, and what is his work? A. Yes. He checks and keeps the men's time. He makes reports, receives orders and transmits them. He makes the requisitions for the stock wanted, and keeps the time in connection with the work. Q. Who takes your place during your absence? A. My first blacksmith. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. I give my report to the timekeeper about the men's time on work. Every morning that time-sheet goes to the timekeeper. Q. How often do you report to the timekeeper? A. Once a day. Q. Have you any other men in your Department who do not punch the time-clock? A. No, they all punch. Q. Do other departments, or other officers, interfere with what you consider the right way of managing your Department? A. No. Nobody ever interferes with me. Q. Have you more men in your Department now than you had last year at the same period? A. Only two more, a blacksmith and a helper. Q. Have you more work ahead of you this year than last year? A. No, not as much. Q. Have you any changes to suggest by which you might obtain better work from your men, without more expense to the government? A. I do not see what could be changed. For the work we do there is not much to be changed. We should have the power though of giving the men the wages they are worth. Q. Have you any complaints to make? A. No, I have no complaint to make. Q. Can you read and write? A. Yes, a little. Q. Are you paid for extra work done by you? A. No, I am not paid extra. The men are paid for extra work. They are paid at the rate of time and a half. They very seldom do extra work. Q. What is the weight of your steam hammers? A. The big one strikes about 15 tons, the others

about 6 tons. Q. Do you get any blacksmith work bought in? A. No, we buy no material for the blacksmith? Q. Do you do horse shoeing? A. We do all sorts of blacksmith work. Q. Do you make Engine forgings, connecting rods and small forgings, etc.? A. Yes, forgings for winches, engines, &c., anchor cranes, rail stanchions, boat davits, etc. Q. Does the Director ever ask you if you have room for more men? A. No. Q. Have you good control over your men? A. Yes, all the control I want. Q. Are all forgings made for new construction weighed by you and a record sent to the office of finished weights? A. Yes, as soon as a piece is finished, it is weighed, the weight entered on a sheet and the sheet forwarded to the Office. Q. Do you speak English? A. No.

Mr. N. BADEAU (Foreman of Carpenters—Mould Loft No. 2.)

Q. What is your name? A. Napoleon Badeau. Q. How long have you worked in the Yard? A. I have worked for 45 years, but have been absent for two years. Q. How long have you been foreman? A. I was engaged as constructor in 1892. Before that I was sub-foreman. Q. Where were you employed before coming into the Yard? A. I have always been employed here. Q. How old are you? A. 61 years old. Q. What authority have you concerning the employment and dismissal of men? A. If a man does not suit me I report to Mr. Papineau. I have no direct authority. Q. Do you consider all the men employed in your Department as permanent employees? A. No. As soon as work gets scarce we discharge some. Q. What do you do when a man comes late to work two or three times a week. Do you report him accordingly? A. This is effected through the time-clock. We cannot see to that ourselves. If the men miss work they lose their time and pay. Q. How many men are absent every day from your Department on an average? A. Very few. On an average two or three a day out of 108 men we have. Q. Do you consider you have enough men in your department for the work you have to do? A. Yes. I have just the number I want now. Q. Do you consider that you have more men in your department than you need? A. No, I have exactly the number I require. Q. How many men have you employed in your department during summer? A. Sometimes we have as many as 250 during summer, but for some years back the work has been subdivided and now we have about the same number as in winter. Q. On what work are these men employed during summer? A. They work on repairs generally and new construction work. Q. How do you get a new employee when you need one? A. I refer to Mr. Papineau. Q. Is a new man ever sent to you when you have not asked for one? A. Yes. Q. In that case what do you do with that man? A. I put him at work with the others and get the best possible out of him. Q. Do they ever send you a new man when you have no work for him? A. There is always work to do and I never have any trouble on that score. Q. Are you ever allowed to choose your own men? A. Never, unfortunately. Sometimes I will say: 'there is a man who would suit me', and he is sent to me, but oftener men are sent to me without my recommending them. Q. Do you consider all the men sent to you as being competent for the work of your department? A. It often happens that the men sent to me are not competent. Q. If they are not competent what do you do with them? A. I have to put up with them. I sometimes have to neglect my own work to show them what to do, and this is a cause for trouble. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. As a rule I place them where I judge best. Q. Do you fix the man's wages yourself? A. No, and that is very unfortunate. Q. Do you report to the Director concerning the ability of a new man before his salary is fixed? A. The wages are fixed without my being consulted. Sometimes I am asked if so and so is a good man. Q. When a man comes late to work, does he report to you? A. If a man comes late, he goes back. The time-clock is closed; he does not work and is not paid. If he arrives at 9.30 he goes and punches the

clock and then reports to me. Q. What do you do when a man disobeys you or misbehaves? A. It happens sometimes that a man does not obey orders. I then send him away telling him to come back when he is disposed to work. There is no direct disobeying, but rather misconduct. I then report to the Director who tells me to send the man away and take his time card from him. Q. How can you check and record the time a man spends on a job? A. I am supposed to watch the men two or three times a day and I make a guess at the time spent. The job-number is a guide, because we know that a job should cost so much and that it should take so much time to do it. We base the time needed on the job-numbers. I have sub-foremen all the time with the men and they keep an eye on their work. Do you place the men of your department on the different kinds of work yourself? A. Yes. Q. To whom do you report? A. To Mr. Papineau. Q. Whom do you get your instructions from? A. As a rule from Terreault, the assistant director. Sometimes from Mr. Papineau. Q. What work have you on hand at the present time? A. The construction of four scows of 200 yards capacity; the joiner work for dredges No. 36 and No. 38; the construction of a rock-crusher and two tugs. Q. How many men have you employed in your department who are not on regular construction work? A. I have five sub-foremen. Q. Who are these men? A. N. Cornoyer, Pierre Peloquin, N. Thibault, N. Martineau and Narcisse Peloquin. Q. What are they employed at? A. They superintend the men's work and see that they perform their duties according to given orders. Q. Have you a clerk in your department, and what is his work? A. Of late I have a young clerk. He makes the requisitions for the wood required. He keeps the men's time and the place where they work. He does not make requisitions without my orders. I sign all the orders. Q. Who takes your place during your absence? A. I am never absent. My assistant could represent me. Q. Do you punch the time-clock? A. No, I never punch it. Q. Do you report to the timekeeper every day, and if so how? A. The timekeeper sees me every day and I do not have to report to him. He is one of my men and I see him three or four times every day. Q. Have you any other men in your department who do not punch the time-clock? A. No. I would not stand that. Q. Do other departments, or other officers interfere in what you consider the right way of managing your department? A. No, nobody interferes with me. Q. Have you more men in your department now than you had last year at the same period? A. I have about the same number. We have taken new men on but they were to replace others who had gone. Q. Have you more work ahead of you this year than last year? A. No. If nothing happens, we will soon have less work than last year. Q. Have you any changes to suggest in the way of managing your department through which you might get better work from your men without more expense to the Government? A. I wrote to the Minister in 1910 a letter giving him all the details needed on that subject. In my opinion the Director should put more confidence in his foremen. They have no authority and no control over the men. Q. Have you any complaints to make? A. Well, we have no control, with the result that the men are more or less nonchalant. The Director has no confidence in us. We have no control over the men and nobody is responsible in the yard. Q. Can you read and write? A. Yes. Q. Are you paid extra for additional work? A. No, I am not paid. The men who work overtime are paid about time and a quarter. Q. Are you responsible for laying the keel, making and preparing ribbing, shoring and keeping fair the vessels while building? A. Yes, I am responsible for all that. Q. Are you responsible for launching the boats and for placing the dredges? A. Yes. Q. Do you have any control over the buying of wood? A. No. Q. Are you responsible for moulding loft work.? A. Yes. I have an assistant loft-man with me. One of the lofts is not necessary. There are two lofts, but one would be sufficient. Q. Do you build small boats? A. Yes. Q. What kind of wood do you use for templates? A. Common pine. Q. Where do you get it from? A. We get it from Montreal. Q. How many men do you control approximately? A. About 107. Q. Do you supervise all the new construction wood-work personally? A. Yes. I supervise the

launching as well. Q. Have you any men whom you consider had better be discharged? A. Yes, two or three men could be well dismissed. There are some old employees, of 30 or 35 years service, who could be dismissed, but they are kept on through consideration of their long services. There are four of them.

Mr. E. F. LACHAPTLLE (Sawmill Foreman).

Q. What is your name? A. E. F. Lachapelle. Q. How long have you worked in the yard? A. Since August, 1906. Q. How long have you been foreman? A. Since July, 1911. Q. Where were you employed before coming into the yard? A. I was at St. Ours on sawmill construction. Q. What sort of work did you do there? A. I was proprietor of a sawmill. Q. How old are you? A. 37 years old. Q. What authority have you concerning the employment or dismissal of men? A. I have no authority whatever for employing or dismissing men. I have to refer to the Director for that. Q. Do you consider all the men employed in your department as permanent employees? A. No, not one is permanent. As long as there is work and they do well they are kept on. Q. What do you do when a man comes late to work two or three times a week? Do you report him accordingly? A. I give him notice once, and if it occurs again I report to the Director. Q. How many men are absent every day from your department on an average? A. Three or four on an average every day. Q. Do you consider that you have enough men in your department for the work you have to do? A. Yes. Q. Do you consider that you have more men than you need? A. Well, this varies. Sometimes we have more than we need. At the present time we have about just what we want. Q. How many men have you employed in your department during summer A. About 20, that is since I am foreman. Q. On what work are these men employed during the summer? A. The same work as during the winter. The carting and preparing of the lumber. The piling of the lumber, the putting it in the dry kiln, and putting it safely in the sheds. Q. How do you get a new employee when you need one? A. I go and ask the Director. Q. Is a new man ever sent to you when you have not asked for one? A. No. This has never happened in my case. Q. Do they ever send you a new man when you have no work for him? A. No, never. Q. Are you ever allowed to choose your own men? A. Yes. I choose them myself. Sometimes a man is suggested by the Member for the House or by a person having influence, to the effect that that man is able to do the work, and if I consider that the said man is as able as stated I recommend him to the Director. Q. Do you consider all the men sent to you as being competent for the work of your department? A. Not always Q. If they are not competent, what do you do with them? A. We are obliged to take them on and put them at work. Among the new ones there are willing men but they are not all capable. Q. Do you fix the men's wages yourself? A. I send them to Mr. Papineau with the recommendation that they be given a certain salary. Q. Do you report to the director concerning the ability of a new employee before his salary is fixed? A. Yes. Q. When a man comes late to work, does he report to you? A. No. He cannot come late without losing his pay. He loses a a quarter of a day. I do not report to the Director except if the work is in a hurry and I make representations to the man himself. Q. What do you do when a man disobeys you or misbehaves? A. I report him to the Director at once. Q. How can you check and keep record of the time a man spends on a job? A. I have never had any complaint about the delay in my work. The preparation of the wood is always quickly done and I have no complaint to make on that subject. Since I am foreman I always give notice to the men that the work I put them at is pressing and that they must hurry up. Q. Do you place the men of your department on the different kinds of work yourself? A. Yes. Q. To whom do you report? A. To the Director. Sometimes the watchmen are given notice to have to look at this and that thing. Those

watchmen must report to the Director himself if they have trouble with the men. Q. Whom do you get your instructions from? A. From the Director and the assistant director. I receive orders for the preparation of my work from the construction foreman, Mr. Badeau. Q. What work have you on hand at present time? A. I have flooring to get kiln dried, also ship fenders to prepare for Nos. 36 and 37. Also for the construction of No. 42, that is to say two scows. Also ordinary repairs, etc., provision boxes, tool handles. I have also two men sharpening saws, band saws, etc., and other tools. Q. How many men have you in your department who are not employed on construction work? A. I have two clerks. One for the mill. The requisitions are made by myself, the clerk takes the quantity of wood which comes up to be sawn, measures it and figures the product when it comes out of the saw. The other clerk is in the office and checks the lumber which comes out. I countersign the requisitions and send them back to him. Q. Who takes your place during your absence? A. Mr. Angers, my assistant, who has all the knowledge necessary to take my place. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. No. I am not asked to make any report. Q. Have you any other men in your department who do not punch the time-clock? A. No, they all punch. Q. Do other departments, or other officers, interfere in what you consider the right way of managing your department? A. No. Nobody ever interferes. Q. Have you more men in your department now than you had last year at the same period? A. I was not foreman at the same period last year. I believe though that the number of men was about the same as now. Q. Have you more work ahead of you this year than last year? A. No, we have less work than last year. Q. Have you any changes to suggest in the way of managing your department through which you might get better work from your men without more expense to the government? A. When I was given absolute control I made quite a few improvements. Still, things might be better if the Director had more authority and freedom of action. I believe that the Members of the House and those who represent them bring pressure to bear upon the Director. For instance, a man is reported to Mr. Papineau, who discharges him, and that man is taken back again in a couple of days by the influence of the Member, and so on. Q. Have you any complaints to make? A. The only thing that could be improved would be that the yard be absolutely managed as if it was a private company and not under the control of a government or a political party. Q. Can you read and write? A. Yes. Q. Are you paid extra for additional hours of work? A. No, I am never paid for extra work. My men very seldom do any extra work; in fact I may say they hardly do any, although I believe that my department turns out more work than any other. A tally is kept of all the wood, square or round, which is cut up for dimension timber. All the other lumber, slabs, etc., is kept in stock and an account is kept in the office.

MR. J. A. PAYETTE. (PAINT SHOP FOREMAN).

Q. What is your name? A. J. A. Payette. Q. How long have you worked in the Yard? A. Three months, since January. Q. How long have you been foreman? A. Three months. Q. Where were you employed before coming into the yard? A. I was contractor in Sorel. I had a shop. Q. How old are you? A. 32 years old. Q. What authority have you concerning the employment and dismissal of men? A. I have no authority whatever. When a man does not suit I report him to Mr. Papineau. Q. Do you consider all the men in your department as permanent employees? A. Not all, but, of course, being here only for three months I could not tell for a certainty. Q. What do you do when a man comes late to work, two or three times a week. Do you report him accordingly? A. Yes, I report him to the Director. Q. How many men are absent every day from your department on an average? A. Three or four on an average. Q. Do you consider that you have enough men in your department for the work you have to do? A. Yes. Q. Do you consider that you have more men in your

department than you need? A. No. I have just enough. Q. How many men have you employed in your department during summer? A. I cannot say. Q. How do you get a new employee when you need one? A. I have not had occasion to see that yet. The men come to me and I send them to the Director. Q. Is a new man ever sent to you when you have not asked for one? A. This has not happened yet. Q. Do they ever send you a new man when you have no work for him? A. This has not happened yet. Q. Are you ever allowed to choose your own men? A. I have not had occasion yet, but I think I would choose them myself. Q. Do you consider all the men sent to you as competent for the work of your department? A. Not all. Three fourths of them are good for rough work. Q. If they are not competent what do you do with them? A. I put them at work which they are able to do. We have all kinds of work. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. It is myself personally who puts him to work according to his ability. Q. Do you fix the men's wages yourself? A. No. Q. Do you report to the Director concerning the ability of a new man before his salary is fixed? A. Yes, I report to the Director who fixes the salary. Q. When a man comes late to work, does he report to you? A. I cannot say. I have no report to make. The man loses his pay. Q. What do you do when a man disobeys you or misbehaves? A. I report him to the Director. Q. How can you check and keep record of the time a man spends on a job? A. I take note of his time according to my own judgment. I do not keep any record. Q. Do you place the men in your department in the different kinds of work yourself? A. Yes. Q. To whom do you report? A. To the Director. Q. Whom do you get your instructions from? A. The Director. Q. What work have you on hand at the present time? A. Painting of all the ships, dredges, etc., of the fleet. Q. How many men have you employed in your department who are not on construction work? A. I have none. Q. Have you a clerk in your department and what is his work? A. No, I have no clerk, I keep the men's time myself. Q. Who takes your place during your absence? A. I have never yet been absent. My assistant could replace me. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. No, I am always here before seven o'clock to set the men at work and leave at 5.30. I do not need to make any report, at least I have no orders to that effect. Q. Have you any other men in your department who do not punch the time-clock? A. No, they all punch the clock. Q. Do other departments, or other officers, interfere in what you consider the right way of managing your department? A. No, I am never interfered with. Q. Have you more men in your department now than you had last year at the same period? A. No, last year they had 98, now we only have 57. Q. Have you any more work ahead of you this year than last? A. It is just about the same. Q. Have you any changes to suggest in the way of managing your department through which you might obtain better work from your men without more expense to the government? A. I would like to have full control of my men. As it is now if a man without any ability is sent to me, I am forced to give him a salary which he does not earn. Often an able man would like to be paid adequate wages and cannot succeed. So far, I see no way of improving this state of things. Q. Have you any complaints to make? A. The quality of paints is poor. I have made complaints to the Director, but without any results. I am forced to accept what is given me, in the line of white lead, ochre, etc. Q. Can you read and write? A. Yes. Are you paid extra for overtime work? A. No, I am not paid extra. The men are paid time and a half for extra work. Q. Have you any men whom you consider you would be better without? A. No. I have no men to discharge. There are men who are paid too dear. Some time ago some fifty painters were discharged and about half of them were taken back. The reason for this was that the winter work was all finished. Q. Do you mix all paints here? A. Yes. Q. Do you keep track of amount of paint used on each job? A. All the paint used on a job is weighed and charged to that job? A. Do you do all the glazing? A. Yes. Q. Are all your men first-class painters? A. The three-fourths of the men go as first-class painters. Q. Have you any wood finishers, who can do French polishing and fuming? A. Yes, I have three of these men.

MR. F. A. COTE (CHIEF ELECTRICIAN).

Q. What is your name? A. Francis A. Coté. Q. How long have you been working in the yard? A. 10 years. Q. How long have you been Chief Electrician? A. I always held the position of Chief Electrician. Q. Where were you employed before coming into the yard? A. I was seventeen years with the Bell Telephone Co. with headquarters in Montreal. I was with Messrs Ahearn & Soper in connection with the Ottawa Street Ry. Co. for three years and after that I was in business for myself in Ottawa in the electric contracting business. It was while on that business in Ottawa that I accepted this position. I may say that my duties here since the last seven months are quite restrained. My position here first was connected with the territory all over Canada. I was sent to Halifax, St. John, N.B., Prescott, Ottawa and other places in connection with all electrical work connected with the Department of Marine & Fisheries. Since Mr. Gourdeau, the late Deputy Minister, retired from the service, it looks as though Mr. Johnson, who replaces him does not approve of my position having that scope, and the result is that I am not consulted any more regarding work ouside of Sorel. Q. How old are you? A. 45. Q. What authority have you concerning the employment and dismissal of men? A. I think my authority is very limited. I could not discharge or take on a man. Q. Do you consider all the men employed in your department as permanent employees? A. Well I never looked at that question in that light. My experience has been that with a few men that I have when any attempts have been made to get rid of some of them we have been met with such trouble that we did not dare doing it. Q. What do you do when a man comes late to work two or three times a week? Do you report him accordingly? A. There is such a thing as a man coming late. I have had no cause to find fault with any of the men for the reason that none of them have lost time, but I have officers, two or three superior men, who have to my knowledge lost ten quarter days the last year through coming late but who put in the time. This is wrong. There should be a rule so that a man losing five minutes should not incur the loss of a quarter day. Two men have lost six quarter days and another four during the last month. Q. How many men are absent every day from your department on an average? A. I can put it at one. Q. Do you consider that you have enough men in your department for the work you have to do? A. At certain times of the year I have enough, but at other times I have too many. For instance, there is one elevator dredge that is under construction, and I presume that this will keep us busy until the fleet starts out, that is to say my men will be kept going for a couple of months, but after that new construction work is finished I will have too many men. I have not too many men if we get work as heretofore, but from what I can see now, I am pretty sure that during the next season I will have a few men too many. Q. Do you consider that you have more men in your department than you need? A. No. We are overhauling every boat, dredge and tug. Apart from that we are also overhauling the engines in our mechanical department. My assistant is giving all his time to this and at present we have our hands full. Q. How many men have you employed in your department during the summer? A. The same number as now, that is to say 13. Q. On what work are those men employed during the summer? A. In summer we have tugs and dredges to finish, but it is beginning to appear as if we would not have this work this summer. We have been kept busy with the installation of small isolated plants on small tugs, etc. Q. How do you get a new employee when you need one? A. I have not appointed a man for five years. I apply to the Director and tell him I would like to have an extra hand, and the Director complies. But it is not the most competent man that gets the job. Q. Is a new man ever sent to you when you have not asked for one? A. No. Q. Do they ever send you a new man when you have no work for him? A. No. Q. Are you ever allowed to choose your own men? A. No. Q. Do you consider all the men sent to you as competent for the work of your department? A. Not by any means. The one that has the biggest pull, gets the job. Q. If they are not competent, what do you

do with them? A. I do the best I can. Q. When a man is sent to you, do you allot him to the work you think him fit for? A. Yes. Q. Do you fix the men's wages yourself? A. I had that difficulty and it lead to quarrelling. Once Mr. Desbarats put me out of his office over that question because I was fighting for a man who deserved an increase of salary. I did not get much satisfaction. Q. Do you report to the Director concerning a new employee before his salary is fixed? A. Yes. Q. When a man comes late to work, does he report to you? A. Yes, on my command they do it. Five or six years ago I threatened men for giving lip when coming late. Since that they are very careful and will give me good excuses. Q. What do you do when a man disobeys you or misbehaves? A. I report him to the Director. Q. Do you keep record of the time a man spends on a job? A. Yes, this is done every morning. Q. Do you place the men of your department on the different kinds of work yourself? A. Yes, I do in the bigger lines, but the minor details are left to my foreman. For instance, the other night we had a short circuit, we had a ground and wanted to take it out, I told DeGrosbois, my assistant, to come back that night early and take whom he liked with him. He came back and the work was done. There are times when I am called away for a month and things go on very well. This man does as well as myself. Q. To whom do you report? A. To the Director. Q. What work have you on hand at the present time? A. The dredge No. 26 and that stone crusher. The best part of my men are busy finishing the fleet. Q. How many men have you employed in your department who are not on construction work? A. One. Q. Who is that man? A. Mr. Thibeaudeau. Q. What is he employed at? A. He keeps the cupboards locked up, keeps tallies, answers the telephone and also hands out the lamps. For instance, we get requisitions from different departments in connection with lamps. The men from these departments do not come to the store here. They give us the requisitions and we immediately give them the lamps, thus saving time. We send no requisitions to the office. Q. Have you a clerk in your department, and what is his work? A. I have no clerk. Q. Who takes your place during your absence? A. Mr. DeGrosbois. Q. Do you punch the time-clock? A. No. I sign the book. Q. Do you report to the timekeeper every day, and if so, how? A. No. Q. Have you any other men in your department wo do not punch the time-clock—If so, how is their time checked—How often do you report to the timekeeper? A. No. Q. Do other departments or other officers interfere in what you consider the right way of managing your department? A. Not lately. It happened three or four years ago. People would come for a cut-off conduit, the result was I worked up for one single month an expense of $78. Q. Have you any more men in your department now than you had last year at the same period? A. I have much less. I used to have 18 men, now I have 13. Q. Have you more work ahead of you this year than last year? A. I have not less. Q. Have you any changes to suggest in the way of managing your department through which you might obtain better work from your men without more expense to the Government? A. Yes, pay my men better and dismiss a few. I would get the same work and the Government would pay less money. Q. Have you any complaints to make? A. No, except what I said above. Q. Are you paid extra for extra work? A. No. My men are paid extra. Q. Have you any men that you would recommend for dismissal in your department for incompetency? A. I do not think so. Q. Are you acquainted with the N.E. Underwriters Code? A. Yes, a little. Q. What are your working hours? A. From half past eight in the morning till five. Q. Do you figure out the size of all dynamos for the fleet? A. Yes. Q. Have you a man trimming lights? A. Yes, not only that; he trims lights and puts in extension cords, etc. Q. Have you the proper authority over men? A. Yes. I may say I have, but this must go under restriction. I may instance that I had two men doing extra work as ordered by me. I met these two men and asked them what they were doing standing and talking that way. They answered that they were talking about their own business. I reported to Mr. Papineau and asked him what to do. I told

him that I wanted to suspend them. Mr. Papineau looked provoked but just as I was leaving the office Mr. Papineau said to me 'Mind that you do not put your foot in it.' That was the end of the matter. Q. Do you give out lamps without returning in old lamps or plugs? A. Yes. I give orders first not to give out lamps without the stub, but we find that it is better to give them at once in order that the work may not suffer.

Mr. L. COFSKY (FOREMAN OF MOULD LOFT NO. 1.)

Q. What is your name? A. Louis Cofsky. Q. How long have you worked in the Yard? A. 18 years. Q. How long have you been foreman? A. I have always been foreman here. Q. Where were you employed before you came into the Yard? A. I have worked 10 years for William Boivin, Contractor Morency, and 7 years for the Richelieu Company, in joiner work. Q. How old are you? A. 53 years old. Q. What authority have you concerning the employment or dismissal of men? A. I have no authority. That is with the Office. Q. Do you consider all the men in your department as permanent employees? A. Yes, they are all permanent men. Some have been here 6 or 7 years, others 13 years. Q. What do you do when a man comes late to work two or three times a week. Do you report him accordingly? A. I make no report. They cannot come late without losing their pay. Q. How many men are absent every day from your department on an average? A. Two or three a week on an average. Q. Do you consider that you have enough men in your department for the work you have to do? A. Yes, I have a sufficient number. Q. Do you consider that you have more men than you need? A. If some work does not come in I consider that I will soon have too many. Q. How many men have you employed in your department during summer? A. 12 or 13. Q. On what work are those men employed during summer? A. Only on the modelling board. Q. How do you get a new employee when you need one? A. I get them from the Director's office. Q. Is a new man sent to you when you have not asked for one? A. Yes. Q. In that case, what do you do with that man? A. I put him to work. Q. Do they ever send you a new man when you have no work for him? A. No, never when I have no work for a man. Q. Are you ever allowed to choose your own men? A. I do not choose them myself. When an incompetent man is sent to me I take him on and show him how to work. Q. Do you consider all the men sent to you as being competent for the work of your department? A. Sufficiently competent for the work of making models which they have to do. Q. When a new man is sent to you, do you allot him to the work you think him fit for? A. Yes, I place them on the right work myself. Q. Do you fix the men's wages yourself? A. No, I do not. That is the office's work. Q. Do you report to the Director regarding the ability of a new man before his salary is fixed? A. Yes, I report to the Director who fixes the wages. Q. When a man comes late to work, do you report him accordingly? A. A man cannot come late because he loses his pay. He can punch at 9.30 but he loses his pay for the time lost. Q. What do you do when a man disobeys you or misbehaves? A. If a man disobeys and refuses work I get the best of him or I send him away. I have never had occasion to send any away for that reason. Q. How can you check the time a man takes for a job, and keep record of it? A. That is very difficult. If a man is delayed in his work on account of the preparation of the wood, etc., it is hard to keep tally of the time spent on his work in particular. I change the men as the different work or jobs require. I put two men here and two men there, and so on. Q. Do you put the men on the different jobs yourself? A. Yes. Q. To whom do you report? A. I have no report to make because, as a rule, everything goes well. I am not asked to report. Q. Whom do you receive your instructions from? A. From Mr. Terreault. Q. What work have you on hand at the present time? A. Different repair jobs to Nos. 26 and 37, and other minor repairs. I have men on board the *Tarte* and on board the No. 6, doing repair work, etc. Q. How many men have you in your department who are not employed on construction work? A. All my men are employed on construction work.

Q. Have you a clerk in your department, and what is his work? A. Yes. He makes out requisitions. He keeps the men's time, etc. Q. Who takes your place when you are absent? A. Albert Deserre. He is 30 years old. He is well able to replace me, although this very seldom happens. Q. Do you punch the clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. The report which the clerk makes of the requisitions every day, of the men's time, etc., is the only report that I make. Q. How often do you report to the timekeeper? A. Every day. Q. Have you other men in your department who do not punch the time-clock? A. All the men punch the time-clock. Q. Do other departments, or other officers interfere in what you consider the proper way of managing your department? A. No. I would not stand for it anyway. Q. Have you more men in your department now than you had last year at the same period? A. I have the same number about. Q. Have you more work ahead of you this year than last year? A. Yes. I have more work. Q. Have you any changes to suggest in the managing of your department, through which you might get better work from your men without any more expense to the government? A. If my men were more capable in tracing their work instead of having to make moulds, they could do more work. Only a good boilermaker would be more expensive and the resulting improvement would not be very great. Q. Have you any complaints to make? A. No. Q. Can you read and write? A. Yes. Q. Are you paid extra for overtime? A. No. My men never do overtime. Q. Have you any men whom you would like to see dismissed, for incompetency, etc.? A. If we had no new construction work we could do without half of our men in a month's time. Q. What are two moulding lofts wanted for? A. One only is absolutely required, but when two tugs come in at once, the work has to be pushed forward. Q. Do you lay down all boats to be constructed on the floor? A. Mr. Badeau does the tracing which is then transferred to the old loft where the work is continued. Q. Do you make templates for every frame and floor in fine ended boats? A. Yes. Q. Do you make templates for shell plating? A. All templates are made in loft except for shells. The conditions in the old loft are not good, the floors are poor and we prefer using the new loft, where conditions are better. We use screw nails and wrought nails half and half in making templates, and when finished the nails are clinched or turned. We have no machinery to assist in making templates. We have low stools in the lofts for making templates.

MR. H. LEGAULT (ASBESTOS FOREMAN).

Q. What is your name? A. A. H. Legault. Q. How long have you been working in the yard? A. Three years. Q. How long have you been foreman? A. Since I am here, three years. Q. Where were you employed before coming into the yard? A. I was employed for the Richelieu Company and for Mr. Wurtele at Ottawa. Q. What sort of work did you do there? A. I worked in asbestos. I never did anything else. Q. How old are you? A. 48 years of age. Q. What authority have you concerning the employment and the dismissal of men? A. I have no authority. I make a report when I want men discharged. Q. Do you consider that all the men in your department are permanent employees? A. Yes. They were here when I came and they are still here. Q. What do you do when a man comes late to work two or three times a week, do you make a report accordingly? A. They cannot come late without losing one quarter day. If they miss the time clock, they miss their pay. Q. How many men are absent every day from your department on an average? A. It is very seldom that any one is missing. Sometimes a man will be absent on account of bad roads, etc., but that is very seldom. Q. Do you consider that you have enough men in your department for the work you have to do? I have enough now, but later on, say towards the end of next week, when the work will be pressing, I will want more men. At certain times, I borrow men from other parts of the yard. Q. How many men have you employed in your department during summer? A. I have six men. Last summer, I had eight for a time. Q. On what work are those men em-

ployed during summer? A. On repairs and preparing stock for the following year. Then getting the cement at the bottom of the boats, etc. Q. How do you get a new employee when you require one? A. I ask the Director for one. Q. Do they ever send you a new man when you have not asked for one? A. No, but I was sent one once who was a mason. That was the only time. They knew I was short of men, and they sent him to me. Q. In that case what do you do with the man? A. I put him to work. As I say above, this happened only once. Q. Do they ever send you a new man when you have no work for him? A. No, never. Q. Are you ever allowed to choose your men yourself? A. There is no choice to make, all my men are labourers. Q. Do you consider all the men sent to you as being competent for the work of your department? A. Yes. Q. When a new man is sent to you, can you put him to the work which you think him fit for? A. Yes. Q. Do you fix the men's wages yourself? A. No. Q. Do you report to the Director concerning the ability of a new man before his salary is fixed? A. No, the Director pays the men according to what the others get. Q. When a man comes to work late does he report to you? A. No. If he comes late, he loses a quarter of a day. Q. What do you do when a man disobeys you or misbehaves? A. That has never happened to me. Q. How do you check the time a man takes to do a job and keep a record of it? A. I am not in a position to check a man's time owing to circumstances. I see to my men three or four times a day and notice how they work. I keep no record of the cost of the work, this is done at the office. Q. Do you put the men of your department on the different kinds of work yourself? A. Yes. Q. To whom do you report? A. I have no report to make. Q. Whom do you get your instructions from? A. From Mr. Papineau and Mr. Terreault. Q. What work have you on hand now? A. I have the dredges and the tugs. Only one at a time. Q. How many men have you in your department who are not employed on construction work? A. They are all employed and at work. Q. Have you a clerk in your department, and what is his work? A. I have a man to make out the orders and deliver the asbestos when needed. That man is sick just now and I am alone for that work. He will come back when he is better. Q. Who replaces you during your absence? A. I am never absent. My man St. Amand would replace me. Q. Do you punch the time clock? A. Yes. Q. Do you report to the timekeeper every day. If so, how? A. No I do not have to report. Q. How often do you report to the timekeeper? A. I never report except when a man is sick, it is the timekeeper who sees to this. Q. Have you any other men in your department who do not punch the time-clock? A. No, all the men punch the clock. Q. Do other departments or other officers interfere with what you consider the proper way of managing your department? A. No, I am never interfered with. Q. Have you more men in your department now than you had last year at the same period? A. I have less. Q. Have you more work ahead this year than last year? A. It is about the same thing. Q. Have you any changes to suggest in the way of managing your department which would give you better work from your men without any more expense to the government? A. My department is not in need of any changes. There is nothing to do to improve the present system. Q. Have you any complaints to make? A. No. Q. Are you paid extra for overtime? A. I very seldom do overtime, but when I do, I am paid extra. Last year I worked about two days overtime. Q. Have you any men whom you would like to see discharged for incompetency? A. No, as I am rather short of men. Q. Do you put all the cement on the bottom of boats? A. Yes. Q. What is the percentage of your cement? A. Two to one for the bottom. Q. What thickness on the bottom? A. One and a quarter inch and one and a half inch. Q. How do you weigh your cement and sand? A. We use buckets as a rule. Q. Is the pipe covering made by you as good as you can buy? A. Yes. Q. How long have they been making pipe covering in the yard? A. Since I am here. Q. Are you making the pipe covering faster than you can use it? A. It takes longer to make it than to put it on. Q. Do you buy any? A. No. Q. Are all boats, tugs and dredges cemented?—A. Yes, all.

Mr. O. GAUTHIER (Pattern Shop Foreman).

Q. What is your name? A. Ovide Gauthier. Q. How long have you been working in the yard? A. Eleven years. Q. How long have you been foreman? A. About six years. Q. Where were you employed before coming into the yard? A. I was with Beauchemin & Fils at Sorel. Q. What sort of work did you do there? A. Steamboat constructor, furnishings, etc. In the patterns, etc. Q. How old are you? A. Sixty years of age. Q. What is your authority concerning the employment and dismissal of men? A. I have no authority. I report to Mr. Papineau and if I have too many men I ask him if any should be discharged. I have never asked for more men here. Q. Do you consider all the men in your department as permanent employees? A. Yes, they are all permanent. Q. What do you do when a man comes late to work two or three times a week. Do you report accordingly? A. No. That is the time-clock's business. If a man does not punch the clock he loses a quarter day, and I have nothing to say about that. He can start again to work at 9.30. Q. How many men are absent every day from your department on an average? A. My men are very regular. None of them are often absent. Sometimes one or two a week. Q. Do you consider that you have enough men in your department for the work you have to do? A. Yes, for the present. Q. Do you consider that you have more men in your department than you need? A. Sometimes I have too many, at other times, pressing work comes along and I need more men. This is not regular. On the whole I have none too many now. Q. How many men have you employed in your department during summer? A. About the same number as during the winter. Q. At what work are those men employed during summer? A. During the summer there are accidents, breakages, etc., which require repairs, and that is what the men are kept at. Q. How do you get a new man when you need one? A. That has never happened. I have always those I want. Q. Do they ever send you a new man when you have not asked for one? A. That has happened once. Q. In that case what do you do with the man? A. I put him to work. Q. Do they ever send you a new man when you have no work for him? A. No. Q. Are you ever allowed to choose your men yourself? A. I have no choice to make. I have always had the same men. Q. Do you consider all the men who are sent to you as being competent for the work of your department? A. There is all sorts of work for all the men. There are some men for common work, etc. Q. If they are not competent what do you do with them? A. This has not happened yet. When work is slack, I send men to do work in other parts of the yard. Q. When a new man is sent to you, do you allot him to whatever work you think him fit for? A. Yes. Q. Do you report to the Director concerning the ability of a new man before his salary is fixed? A. I don't report, but I ask Mr. Papineau about it. Q. Do you fix the men's salary yourself? A. I refer to Mr. Papineau. Q. When a man comes late to work does he report to you? A. No. The time-clock does that. The man don't need to report to me. If he comes at 9.30 he loses a quarter day. Q. What do you do when a man disobeys you or misbehaves. A. That never happens. I would not put up with it. Q. How can you check the time a man takes to do a job and keep record of it? A. The jobs are numbered and the time spent on it by a man is controlled. If his work is changed, the time-sheet keeps tally of the change. This time-sheet is sent in every night. I do not keep any records myself, this is done at the office. Q. Do you allot the men in your department on the different jobs yourself? A. Yes, I give the work myself, the designs, etc., to the men. Q. Whom do you report to? A. To Mr. Papineau. Q. Whom do you get your instructions from? A. From Mr. Terreault. The work comes from the draughting room and I refer to Mr. Terreault for an order number to do the work. Q. What work have you on hand now? A. I have general work, repairs to the fleet, etc. New construction on No. 26, the *Portneuf* and the No. 8. Q. How many men have you in your department who are not employed on construction work? A. One man for the care of the shop, for sweeping, etc., and another man to take the patterns to the foundry. He takes the weight according to orders and takes

that to the office. He keeps the numbers of the patterns and takes care of them generally. Q. Who are those men? A. Edouard Bellerose keeps the patterns and William Lirette takes care of the shop. Q. Have you a clerk in your department and what is his work? A. No, I have no clerk. My son, who works at the trade, keeps the time lists and makes the requisitions. Q. Who takes your place during your absence. A. It is my son who is most able. As a rule nobody takes my place, as I am very seldom absent. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so how? A. No, I have no report to make. Q. Have you any other men in your department who do not punch the time-clock? A. No. Q. Do other departments or other officers interfere in what you consider the proper way of managing your department? A. No, nobody interferes. Have you more men in your department now than you had last year at the same period? A. I have about the same number. Q. Have you more work ahead this year than last year? A. About the same as last year. We don't know how the season will turn out. Q. Have you any changes to suggest in the management of your department, which would obtain better work from your men without any more expense to the government? A. No, I have on changes to suggest. I have worked 22 years with Beauchemin and Fils, making their patterns and I know that we cannot push the men to work any harder. They need time to think of their work and do it properly. Q. Have you any complaints to make? A. No, I have no complaints to make. Q. Can you read and write. A. Yes. Q. Are you paid extra for overtime? A. No. My men are paid time and a half when they work overtime, but that is very seldom. Q. Have you any men whom you would like to see discharged? A. No, because I need every one owing to pressing work which might turn up. Q. Do you keep any records of the patterns you have under your charge? A. No. Q. Do you consider the patterns are properly kept? A. Yes. Q. Is not the place too hot? A. No, I think not. Q. What kind of wood do you use? A. White pine. Q. Are your pattern makers all properly trained men, did they serve an apprenticeship? A. No. They never served an apprenticeship, but came and had been trained perfectly. Q. Have you a man in charge of the patterns to see they are not destroyed and to give them out, to keep a record and see that they are returned intact? A. Yes, Mr. Bellerose. He sees to all this, checks and takes care of all the patterns. Q. Are you responsible for the patterns in the storehouse? A. Mr. Bellerose is responsible. Q. Are you supplied with working drawings for making patterns? A. For new work, we get designs from the drawing room. For repair work we use old drawings. Q. Are the drawings well made and correct? A. Yes.

MR. JAMES DEANS (DRAUGHTING ROOM).

Q. How long have you been employed at the Sorel Shipyard? A. A little over four years. I came here in November, 1907. Q. What was your experience before coming here? A. I was working as chief draughtsman with Brown & Co., Clydebank. Q. What are your duties and responsibilities? A. I am mechanical engineering draughtsman. I have charge of drawings, designs, etc. I am responsible for all the drawings in the draughting room. Q. Did you serve an apprenticeship as an engineering draughtsman? A. Yes, I served for seven years with Renfrew, Lobnitz & Co. & Samuda Bros., London, England. Q. Are you chief draughtsman of the Engineering Department? A. Yes, I am chief draughtsman here. Most of the time I am working by myself. Q. How many men have you assisting you? A. None at all at present. Sometimes I have two or three assistants. Q. What are their names and experiences? A. I had one by the name of Deguise, who has been most of his time in the office, seven or eight years. He has had training in correspondence schools. Q. Do you take the full control of the engineering department, get out the drawings and designs for engines, boilers, dredging machinery, pumps, etc., electric lighting, size of the dynamos, steam piping, and bilge arrangements of pumping? A. The

electric light part I have not much to do with, but I have control of all the rest, dredging machinery, pump auxiliaries, bilge piping, etc. Q. Are you capable of working out the H.P. required, fix size of engines and boilers necessary to attain certain speed? A. Yes. Q. Can you calculate weights of engines, boilers, dredging machinery, etc.? A. Yes. Q. Are you familiar with constants, two-third power for speed rules, centres of gravity, etc.? A. Yes. Q. Are you familiar with the best designs of pumps and engine room auxiliaries? A. Yes, I am quite experienced in that. Q. Can you make your own drawings for boiler and engine room lay-out? A. Yes. Q. Can you draw out your own piping arrangements? A. Yes. Q. Can you produce the necessary drawings for details of cylinders, shafting, bed plates, propellers, and see them all through the various shops? A. Yes. Q. Have you any pratcical experience in engineering work, can you supervise shop work, erecting and placing on board? A. I never had a position like that. I have worked in shops, about two and a half years and I can give any information wanted in that line. I can go into a shop and see about the work of erecting, etc. Q. On trial trips can you take indicator diagrams and work out speeds, slip, etc..on a measure mile, take note of steam and coal consumption, etc.? A. Yes. Q. Do you understand Lloyd's rules and work out the formulas for making boilers, shafting, etc.? A. Yes. I do. Q. Do you order or make out specifications for ordering pumps and engines, boiler room auxiliaries, ash hoists, etc. A. Yes. I make specifications for the pumps and auxiliaries, engines, etc. Q. Have you had any experience with paddle wheel engines? A. Very little. Q. Have you had experience with turbines? A. Yes. Q. Have you had any experience with oil engines? A. No, I have no practical experience with oil engines. Q. Can you make up estimates of cost of engines and boilers, winches, dredging gear, etc.? A. No, I am not very able to make prices. I have had an idea about making prices for contract work, but I have not done that myself. Q. What data do you keep as to sizes of machinery, boilers, auxiliaries, H. P. developed on trial, revoution, speed, etc.? A. I keep calculations for boiler work, etc., and we keep records of the work I do myself. We never keep sizes of H. P. on trial, revolution, etc. Q. Do you make finished drawings of engines, boilers and auxiliaries and data for future reference? A. Yes, we have drawings. Q. Do you have a book of particulars in which to keep a record of performances, coal consumption per H.P., etc.? A. We do not need to keep that book. No boats that I know do it. This book is not kept. Q. Can you design propellers suitable for the best results of speed towing slip, etc.? A. We keep a second design.

MR. BRIDGES (DRAUGHTING ROOM).

My name is Frederick Bridges.

Q. How long have you been employed at Sorel Shipyard? A. Nearly 4 years. I came in May, 1908. Q. What was your experience before coming here? A. I started as apprentice in 1884, and was 9 years with the firm of Samuda Brothers, London; then I was 3 years out, and from 1895 to 1907 was with another firm in England Edwards Company, on the Thames; then I came out here. Q. What are your duties and responsibilities? A. I came here as ship's draughtsman and I give ideas how to make plans and details, and see that the foremen get these ideas. I have to go in also and see that the work is carried out. I follow the work right through. Q. Did you serve an apprenticeship as ship's draughtsman, where and for what term? A. No, not as ship's draughtsman but as a ship-builder. Q. Have you had any practical experience as a ship-builder? A. I have 3 years' experience in the ships. Q. Have you had charge of any part of the yard work practically, that is, the handling of men? A. Yes, at home. Here, no. I only tell the men what to do. I have no authority. Q. Are you chief draughtsman of the hull department? A. No. I just figure as draughtsman. Q. How many men have you assisting you, what are their names and ability as draughtsmen? A. I have had one, Mr. Houston. He is now in Ottawa.

Before that I was told I could get anybody I wanted. Mr. Houston is a ship's draughtsman. These boys we have in the office are only helps. Mr. Houston has had as long experience as myself. He is about 40 years of age, I think. Q. Are you capable of designing vessels as to form of lines, speed and stability? A. Yes. Q. Are you capable of receiving a specification, stating the requirements, able to fix dimensions, calculate weights, stability, centres of gravity, metacentres, centres of buoyancy, trim, etc.; by approximate rules to insure that vessels on completion will carry the specified dead weight on a given draught of water and be staple? A. Yes, I am able to do all that. That is what I have to do. Q. Can you design vessels on a level water line with a drooping keel? A. Yes, that is what I should do. Q. Can you design vessels in the ordinary way, square off the keel? A. Yes. Q. On completion can you incline the vessel to obtain her centre of gravity and work out curves of stability, statistical, co-efficients, moments of alter trim, moments of inertia, etc.? A. Yes, I knew it but it is a thing I have seldom done. I have only inclined two boats in all my existence, curves of stability, and so on. Q. What is your age? A. I am 44 years old. Q. Do you understand Lloyd's Rules, B.C., and Great Lakes Rules for the building and classification of vessels? A. I understand Lloyd's Rules. B.C. I have never worked. I have worked Bureau Valetes. Q. Can you draw out your own working plans and order material, forgings, spectacle bosses, rudders, etc.? A. Yes. Q. Do you get out plans and specifications for plumber work, heating, ventilation, electric light installation, etc.? A. Yes, I do the work for electric lighting required, for ventilation, etc. Q. Can you order outfits such as anchors, chains, windlasses, winches, electric light work; work out your own sizes for dynamos, steering gear and all usual outfit required for a vessel, such as deck rigging, blocks, etc.? A. Yes. On the *Montmagny* I took charge of all that, worked out dynamos, etc. Q. Have you any experience as to costing and making up estimates for the cost of vessels? A. Yes. Before I came out here I did all the estimating for about 6 or 7 years for proposed vessels. Q. Have you had experience in working out stresses or derricks, mast-mountings, stays, shrouds, etc.? A. Yes. I may say here I have only seen the work, but I can figure the hours and I know the rate of pay. I have never made estimates here at all. I do not know how they arrive at estimates. Q. Are you familiar with the planimeter and integrater? A. Not with the integrater. The planimeter, I use. Q. Can you work out displacements on cross-check system? A. I check my figures by taking vertical sections and horizontal sections. Q. Can you figure out the required I.H.P., to drive vessels at given speed by constant and two-third power, etc? A. Yes. Q. What data do you keep, or what system do you have of keeping record of vessels built, dimensions, weight, scantlings, invoice material, rivets, displacement, tonnage, dates of construction, launching and finishing? A. I just keep them all in a portfolio of my own. I take it that I should hand over that data to the yard. I take copies that I want myself. This is not kept in book form, and there is no proper record kept. Q. Do you make finished drawings of vessels built for future reference? A. Yes, when I have time, but we are kept rushed as a rule. I have drawings of No. 21 in pencil and will finish them. Q. Are you capable of taking charge of the moulding loft? A. Yes. Q. Are you capable of taking charge of construction of a vessel in all departments? A. Yes. I can take hold of men and build a boat. Q. Have you had any experience of repair work? A. Not very much. The yards on the Thames do little repair work but mostly new work. Q. Have you had any experience in making up the cost of repairs? A. No, I have not.

MR. JOSEPH P. HEREUX (CHIEF DRAUGHTSMAN).

Q. How long have you been employed in Sorel shipyard? A. 6½ years. Q. What was your experience before coming here? A. I was a contractor. I also did work for building contractors. Q. What are your duties and responsibilities? A. I am chief draughtsman. I have to look after all the draughtsmen except two experienced per-

sons, Mr. Bridges and Mr. Deans. I give work to do to all the others. There are 8 draughtsmen and I have to look after them. I do drawing myself. Two years ago we made steel frame work for the boiler shop and cars for the Railway Department, and I supervised all that work. Q. Did you serve an apprenticeship as an engineering draughtsman? A. Yes. Q. Where, and how long did you serve? A. I am a civil engineer from the Polytechnical School in Montreal. I graduated in 1885 as a civil engineer. Q. Are you chief draughtsman of the engineering department? A. Yes. Q. How many men have you assisting you? A. Generally I have 10. With myself we are 11. I have two experts. Q. Who are they and what is their experience? A. One is a civil engineer, draughtsman; the other is a blue-print man. Q. Are you capable of designing vessels as to form of lines, speed and stability? A. Yes. Since 6 years I worked in ship building. I lately took the No. 36 and No. 38, and I supervised all the designs which were made in the draughting room. Q. You have had experience in building? A. Yes, I was a contractor for 6 years. I never had experience in reinforced concrete. I have made foundations for many big buildings, churches, etc. Q. How old are you? A. I am 40 years of age. I am a member of the Canadian Society of Civil Engineers.

Mr. J. U. LATRAVERSE (Cost Department).

Q. What is your name? A. J. U. Latraverse. Q. How long have you been working in the yard? A. 5 years next June. Q. How long have you had charge of your department? A. Two years now. Q. Where were you employed before coming to the yard? A. I worked for L. Chaput, Son & Co., Montreal. Q. What kind of work were you doing there? A. At certain times I was in the correspondence department; then I had charge of the collecting ledger, and I was the invoice clerk. Q. What is your age? A. I am 27 years old. Q. What authority have you regarding employing and discharging men in your department? A. I have very little authority. I cannot proceed by myself. I have to report to the Director if anything does not go right. I can get a man discharged this way. This happened a year ago, when a man was not giving satisfaction and I had another man take his place. Q. Are all the men in your department permanent employees? A. No. Q. When a man comes late two or three times a week what action do you take? A. The first time I tell him, the second time and the third time we take note of it and it is taken out of his holidays. Q. Do you have much inconvenience in your department from men being away? A. No. Q. Do you consider your present staff large enough to handle the work in your department? A. Not with the system we have. I think the chief accountant in Ottawa will have to make some changes with regard to the system here, to have the department's work clearer. With the present system, I have to go into two or three different places to find the cost of work, and this should be changed so that the cost could be had at once and together. Q. Do you consider your present staff too large for the work you have to do? A. No. We have about the number of men we need. Q. Do you keep the same number of men in your department the whole year around? A. For the last year we have had the same number, although at times we have so much work that I have to get a man from the other department for 2 or 3 days. Q. What do these men do during the summer months? A. They keep the cost of new construction. We have less repairs to keep track of, but there is always something to do. Q. During the summer months have you enough work to keep your whole staff busy? A. This depends on circumstances. Sometimes for 2 or 3 weeks perhaps, the men will not have much to do, then 2 or 3 weeks after, the work rushes in and we are in great need of more men. It would not be wise to lay any off. Q. Do you ever have a new man sent to your department without asking for one? A. Do you mean if I get a new man without asking the Director for one? I have to ask the Director. I

never had a man sent to me without having work for him to do. Q. Are you allowed to choose your men? A. No, if I want a new man I have to ask the Director. Q. Do you consider all the men sent to you qualified for your work? A. Yes. They are qualified now. At the beginning I had one who was not qualified but he did not take long to become so. Q. Do you look into their qualifications? A. When they come I give them a certain kind of work to do and if they cannot do it, I realize they are not qualified, and I have to keep trying them until they can be of use. Q. When a new man is sent to your department can you place him at what kind of work you see fit? A. I have not tried that yet, but I can place a new man anywhere I choose. Q. Do you fix the rates of pay in your department? A. No. When they come in the Director asks me about their ability, I make a report and he fixes the salaries. The same thing is done for an increase. I have no choice in fixing salaries. Q. What do you do if a man does not do as you tell him, or misbehaves? A. That has never happened that a man is not willing to do what I ask. If he did I would report him to the Director, and tell him all about that man. Q. Whom do you report to? A. Last year I was reporting to the chief accountant because he wanted me to tell him everything about my department. When he was not in I would report to Mr. Papineau. The new accountant never asks me anything about the department, so I report to Mr. Papineau every time. Q. Who do you get your instructions from? A. From the Director, the superintendent and the chief accountant. Q. Who takes your place when you are absent? A. The ledger keeper, Mr. Prudhomme, but nobody did it so far. In fact I have really no man to take my place. Q. Do you sign the book? A. Yes. Q. Have you any interference from any other department or officials with what you consider the proper running of your department? A. No, nobody has ever interfered. Q. Have you more men in your department now than you had at this time last year? A. Yes, I have one more. Q. Have you any more work to do now than at this time last year? A. I have much more this year. Q. Have you any changes to suggest in the running of your department by which you can get better work out of your men without additional expense to the government? A. I consider that a change suggested to have the system clearer, in order not to lose time when looking up the cost of something, and to have all that comes in a job filed together, would be a good change. I had a mind to begin that system at the beginning of the year in April next. Q. What system of cost keeping do you have as to new constructions? A. For new construction, I receive orders from the superintendent to open an account for such and such a job, and I have all that is required on this job, men, etc., charged to the job, and at the end of the month, the pay-lists are balanced and I have the direct cost of the job. This account is open until the work is through. Q. Can you by turning up your books quickly tell the cost of construction of hulls, engines, boilers, winches, pumps, weight and cost of steel material, rivets, wood, and carpenters' and joiners' outfit? A. Yes, we can have that but I have to look all through my books to get at it. For the cost of a boiler, it is not very long to get it, but to have all details written, would take longer because our entries are very extensive. Q. Have you any system of tabulating the weight and cost of steel plates, angles, tees, Z bars, channels, slips, rivets, etc., weight and cost of production in general? A. No. We do not keep tables at all. Q. Do you keep separately the labour cost of platers, riveters, caulkers and drillers on ship and machinery construction? A. I can get the work done by the machinists and by the boiler makers in detail. Q. How is foremen's time charged? A. Foremen are charged to the maintaining of their shop, except three or four, and we divide their time they are working on job numbers themselves and we add a percentage to the cost. Q. How do you keep the cost of joiners' and cabinet makers' labour? A. It is divided and kept separate. I have a column for the cabinet shop or for the carpenter in the ledger, where I post all charges for construction. When it is for machinists, it is posted in the column for machinists, etc. Q. How do you keep the cost of joiners' and cabinet makers' materials? A. When the men want wood out of the shop they make a requi-

sition and the wood is charged to such a job number. Q. How do you keep the cost of ironmongery? A. The blacksmith's shop takes orders and we note every job, the clerk makes requisitions for, etc. Q. Do you get the requisitions from the store-keeper every day and are they up to date? A. We get requisitions the day after they are made. Q. How many days are the requisitions behind hand at present moment? A. Perhaps a day or two. Q. Where do you get your cost of materials from? A. I get it from the store-keeper. Q. Do you keep records of cost of all outfits, beddings, etc.? A. Yes, we keep a record of all the goods on a new boat. Q. What do you charge the repairs to outfits against, viz.: Life belts, mattresses, cooking utensils, etc.? A. We issue a number for each of them. We issue those numbers every year for the operating of the boat, which run the whole year and everything is kept on those numbers. Q. What are your duties and responsibilities? A. My responsibility is to keep cost properly. When I notice something charged on a job which is not proper, I notify the party accordingly, and if there is no change, I report to Mr. Papineau, who sees about it himself.

MR. LANGLOIS (STEAMFITTER FOREMAN).

Q. What is your name? A. Joseph Langlois. Q. How long have you worked in the yard? A. Since last June. Q. How long have you been foreman? A. Ever since I came here. Q. Where were you employed before coming into the yard? A. With the Richelieu Company. Q. What sort of work did you do there? A. All the kind of work in my line generally. Q. How old are you? A. Forty-eight. Q. What authority have you concerning the employment and dismissal of men? A. No authority whatever. It is the Director who takes and dismisses the men. Nevertheless, Mr. Papineau tells me that if anybody does not go right that he will see to it. Q. Do you consider all the men in your department as permanent employees? A. Those who are here have been employed for a long time and I believe them permanent. Q What do you do when a man comes late to work two or three times a week. Do you report him? A. This has not happened since I am here. Q. How many men are absent every day from your department on an average? A. Perhaps one in a week, other times none at all. Q. Do you consider you have enough men in your department for the work you have to do? A. Yes, for the present. Q. Do you consider you have more men then you need? A. Certainly not. Q. How many men were employed in your department during summer? A. I don't know, I was not here last summer, but I believe we keep the same number. Q. How do you get a new man when you need one? A. I do not need to ask for any, the men come themselves to seek employment with letters from the deputies, etc. Q. Do they ever send you a new man when you have not asked for one? A. No. Q. Do they ever send you a new man when you have no work for him? A. No. Q. Are you ever allowed to choose your own men? A. This has never happened. Q. Do you consider all the men sent to you as competent for the work of your department? A. Those I have had until now are competent. Q. When a new man is sent to you, do you allot him to whatever work you like? A. Yes. Q. Do you fix the men's wages yourself? A. Yes. Q. Do you report to the Director regarding the ability of a new man before his salary is fixed? A. The Director is asked to fix the salary. Q. When a man comes late to work, does he report to you? A. The time-clock sees to this. If he comes at 9.30 and punches the clock and starts to work he loses a quarter day. Q. What do you do when a man disobeys you or misbehaves? A. I have not yet had occasion to act, but I would not put up with a man who would disobey me. I would report him at once to the Director. Q. How can you check the time a man takes to do a job, and keep a record of it? A. I cannot keep any record. This is according to the work he has to do and I have to use my own judgment to see that a man works as quick as possible. Q. Do you allot the men of your department to the different sorts of

works? A. Yes. Q. To whom do you report? A. I report to the office. Q. Whom do you get your instructions from? A. From the office. Q. What work have you on hand now? A. I have all the pipe connections to make for the boilers and all tinsmith work for the whole of the fleet. Q. How many men have you in your department who are not employed on construction work? A. I have an apprentice and I use him as a clerk. Q. Who is that man? A. Adrien Jaures. Q. What is he employed at? A. He makes the requisitions, keeps the men's time, sees to the tools, sweeps the shop, etc. Q. Who takes your place when you are absent? A. I have three men who can replace me, one Bachand, who has 19 years experience, one Champagne and one Langlois, who are also experienced men. Q. Do you punch the time-clock? A. No. Q. Do you report to the timekeeper every day, and if so, how? A. No, I have never been asked to do so. Q. Have you any other men in your department who do not punch the time-clock? A. No, they all punch the clock. Q. Do other departments or other officers interfere in what you consider the proper way of running your department? A. No, never. Q. Have you more men in your department now than you had last year at the same period? A. I cannot say. Q. Have you more work ahead than you had last year? A. I cannot say. Q. Have you any changes to suggest in the running of your department by which you could get better work from your men without additional expense to the Government? A. All the changes possible I have made myself for the better. The men of the shop are of opinion also that things are for the best. Everything runs now as well as possible. Q. Have you any complaints to make? A. No. Q. Can you read and write? A. Yes. Q. Are you paid extra for overtime? A. No, the men are paid extra at about the usual rate Q. Have you any men whom you would like to see discharged on account of incompetency? A. No, I have none that I would like to have dismissed. If any should leave, they would do so of their own accord. Q. Do you do all the piping work? A. Yes, all that is required is done here. Q. Do you make all piping bends as per drawings? A. Yes, all is done here. Q. Do you do all the pipe covering? A. This is done by Mr. Legault, a special man. Q. Do you see to the repairs to plumbing, etc.? A. Yes. Q. Do you speak English? A. No.

MR. LACOUTURE (CHIEF ACCOUNTANT).

Q. What is your name? A. Louis Lacouture. Q. How long have you been working in the yard? A. Since the 2nd January, this year. Q. How long have you had charge of your department? A. Since I am here. Q. Where were you employed before coming into the yard? A. I was part owner and manager of the Canada Navigation Company. Q. What kind of work were you doing there? A. I had the managing of the business. Q. What is your age? A. 54 years of age. Q. What authority have you regarding employees and discharging men in your department? A. I have none at all. Q. Are all the men in your department permanent employees? A. I dare say they are all permanent. Q. What do you do when a man comes late two or three times a week? A. This is brought to Mr. Papineau's knowledge. Q. Do you have much inconvenience in your department from men being away? A. No although once I found out there was a man who was absent, giving as a reason that he was sick and I had to remind him that Mr. Papineau had told me he was the party to look to for leave of absence. Q. Do you consider your present staff large enough to handle the work in your department? A. Yes, it is sufficiently large and I would not take on any more. Q. Do you consider your present staff too large for the work you have to do? A. With my experience here, I cannot say there are too many but I am sure there are enough. Q. Do you keep the same number of men in your department the whole year around? A. I do not know, I cannot say. Q. What do those men do during the summer months? A. I cannot say. Q. Have you enough work during summer months to keep your whole staff busy? A. I cannot say. Q. Do you ever have a new

man sent to your department without asking for one? A. I never had any. Q. How do you get a new man when you need one? A. I would have to apply to the Director of the shipyard. I think this is the only way. Q. Do you ever have a new man sent to your department when you have no need of one? A. No. Q. Are you allowed to choose your own men? A. It does not seem so. Q. Do you consider all the men sent to you qualified for the work in your department? A. From what I know now they are. Q. Do you look into their qualifications? A. I have not so far. Q. If you consider a man is not qualified for work what do you do with him? A. I would report him to the Director, because just now I have no authority towards hiring or discharging the men. Q. When a new man is sent to your department, can you place him at what kind of work you see fit? A. No, Mr. Papineau sees to that. Q. Do you fix the men's rate of pay in your department? A. No, I do not. Q. How is the rate of pay fixed? A. Mr. Papineau sees to that. Q. What do you do if a man does not do as you tell him or misbehaves? A. I report him to Mr. Papineau. Q. Whom do you report to? A. To Mr. Papineau directly. Q. Whom do you get your instructions from? A. I am supposed to get them from Mr. Papineau. Q. Who takes your place when you are absent? A. My assistant, Mr. Olivier Cardin. Q. Do you sign the book? A. Not always. Q. Have you any interference from other departments or officials with what you consider the proper running of your department? A. No, I never have any interference. Q. Have you more men in your department now than you had at this time last year? A. I think it is just the same. Q. Have you any more work to do now than this time last year? A. I don't think there is any more. Q. Have you any changes to suggest in the running of your department by which you can get better work out of your men without additional expense to the government? A. This is a question that we have been debating with Mr. Papineau about changing the way of keeping track of the direct cost; that is, I would suggest that every department would have their own accounts, with each a general ledger in which all expenses, wages, materials, maintenance of shop, and other accounts would be entered separately. This would take no more men, would reduce the work and have better results. Q. Do you know when the books were last audited? A. I do not know. Q. Do you check all payments? A. Yes. Q. Do you know whether prices stated on invoices are correct or not? A. No, this is outside of my control. Q. How do you handle your petty cash account? A. We have an advance from Ottawa of a certain amount on which we issue cheques to make petty disbursements according to Mr. Papineau's requirements. Q. Who handles petty cash accounts? A. Myself alone. The petty disbursements accounts appear under Mr. L. J. Papineau and Mr. Lacouture. We have an advance of $1,000, and up to now I think there is about three or four hundred dollars disbursed. We balance the account once a year and whatever balance is left, we credit the treasurer and a refund is made to the receiver general at the end of the fiscal year. Then we start a new account.

Mr. CHAMBERLAND (Storekeeper).

Q. What is your name? A. H. C. Chamberland. Q. How long have you been working in the yard? A. Two months, I commenced on 22nd January last. Q. How long have you had charge of your department? A. Since I am here. Q. Where were you employed before coming into yard? A. For the last ten years, I have not done any regular work. I was speculating on property in Montreal, buying and selling. Q. What is your age? A. I am 56. Q. What authority have you regarding employing and discharging men in your department? A. I have no authority at all. Q. Are all the men in your department permanent employees? A. Yes. There are two that were hired just for the stocktaking, Mr. Cardignan and Mr. Bourgeois. They will be laid off when the stocktaking is over according to Mr. Papineau. Q. What do you do when a man comes late two or three times a week? A. We generally commence work

at 8.30 in the morning. I am here when the men arrive. They sign the book. I think they are on time always since I am here. Q. Do you have much inconvenience in your department from men being away? A. No. Q. Do you consider your present staff large enough to handle the work in your department? A. Yes, I think so. Q. Do you consider your present staff too large for the work you have to do? A. Not for this time of the year. Q. Do you keep the same number of men in your department the whole year around? A. I am quite strange to the business and I do not know whether the number of men is the same or not. Q. Do you ever have a new man sent to your department without asking for one? A. No. Q. How do you get a new man when you need one? A. I was to have an assistant when I came here through the deputy, but I did not ask him. I have to go to Mr. Papineau to get a new man. Q. Do you ever have a new man sent to your department when you have no need of one? A. No. Q. Are you allowed to choose your own men? A. No, I don't think so. Q. Do you consider all the men sent to you qualified for the work of your department? A. Yes, I think they are all right. Q. Do you look into their qualifications? A. No. Q. If you consider the man is not qualified for work what do you do with him? A. If I found a man unqualified I would make a complaint. Q. When a new man is sent to your department, can you place him at what kind of work you see fit? A. I cannot do that myself. Mr. Papineau does that. That is what he has done since I am here. Q. Do you fix the men's rate of pay in your department? A. I have nothing to do with that. Q. How is the rate of pay fixed? A. Mr. Papineau does that. Q. What do you do if a man does not do as you tell him, or is misbehaving? A. In that case I would advise Mr. Papineau. I only once had trouble about a man smoking. I reported to Mr. Papineau who gave the man notice that he would turn him out if it happened again. Q. Whom do you report to? A. Mr. Papineau. Q. Whom do you get your instructions from? A. I get instructions from no one. I get orders from Mr. Papineau first and he is my chief. Q. Who takes your place when you are absent? A. No one. Q. Do you sign the book? A. Yes, I sign the store book. Q. Have you any interference from other departments or officials with what you consider the proper running of your department? A. No, nothing of the kind. Q. Have you more men in your department now than you had at this time last year? A. I was not here. Q. Have you any more work to do now than this time last year? A. I was not here. Q. Have you any changes to suggest in the running of your department by which you can get better work of your men without additional expense to the government? A. Yes, there are too many branches in this department. All the clerks are apt to go into corners out of the way places, so I think it would be better to put a man in charge of each department. Take the supply department, for instance. A man should be put in charge of this department during summer. We have one for the winter, but he is discharged in the spring. Requisitions come in and a tally is kept of goods going away only in one room. A man should be kept on all the year round to take charge of that branch and be responsible. When goods are delivered to captains to replace destroyed or broken goods, the broken pieces, etc., should be returned. Q. What are your duties and responsibilities? A. When I came here, Mr. Papineau said there was about $200,000 worth of stock. He said: 'You and I are the responsible men for the whole stock.' I told him that my pay was only $80 a month, and that it was too much responsibility for the money. He said he could not do any better. I think I am not paid enough. Q. How many men have you under you? A. Sixteen at the present time, that is men, and two women. Q. Are you responsible for all materials supplied to the yard? A. It is as I have told you before. I am responsible. Q. Do you keep your stock books up to date day by day? A. Yes, day by day, and up to date. The material given out yesterday was all entered in the books. There may be a few requisitions at the end of the day left in the books, but as a rule all is entered. Q. Do you send requisitions to cost department each day? A. Yes, as soon as they are entered in the book they go to that department as far as I know. Q. Are all materials entered

on book same day as received? A. I cannot answer to that now. Q. How do you figure out the overhead charges of your department? A. There is no percentage added to the cost coming in. This is not my work. Q. Do you consider your stock too large? A. Not so far as I can judge. I have only been here two months and I am too busy to find out. Q. Are any stores given out at night? A. Not after six o'clock. Q. Do you check all goods as being up to samples when bought that way? A. Yes. Q. Do you have a sample here to check by? A. Not always. We have the same stock in hand and make comparison. Sometimes we send the samples to Ottawa, but this goes though Mr. Papineau. Samples are not returned to me because I do not send them myself. I do not know whether Mr. Papineau gets the samples back. Q. Who checks all these goods? A. Mr. Mayer. Q. Is he directly under your charge? A. Yes, he is under my charge. Q. Is he capable of telling when goods are up to samples or specifications? A. Yes, he can do that. Q. If he is in doubt whom does he consult? A. He comes to me, sometimes to Mr. Papineau, and sometimes to Mr. Terreault. Q. If goods are not same as samples or specification, what does he do? A. We consult with Mr. Papineau and he arranges the matter. Yesterday we had something wrong, we sent an order for crockery and they sent it, but on the invoice they had plain white granite. They had made a mistake. I told them to accept it and that the matter would be looked into. Q. If he reports to you what action do you take? A. I generally consult Mr. Papineau over such things. Q. When any goods, which have been charged out against a construction are returned to stock, do you credit the construction with these goods? A. They generally only take what they want. I have never heard of anything being brought back. Q. Do you order all goods for stock? A. Yes, I do all the ordering. Q. Have you any minimum quantity fixed for the amount of certain goods in stock? A. No, we have to go by our own judgment in this. Q. Can you tell from your books just how much of each material is in stock? A. Yes. Q. When was stock taken last? A. I do not know. Q. Do you know what value was placed on stock then? A. I do not know. Q. Have you any idea of the value of the present stock? A. None at all. Q. Is any material ever given out of stock without a requisition? A. No, never. Q. Is there any material so placed to which access could be obtained without your knowledge? A. Yes, there are lots of places like that. The clerk comes here, takes the key, goes to the shed and takes out what he wants, and the man may go there and take things and I would not know. There is a watchman looking after things. Q. Do you consider that any material could be bought cheaper than at present? A. No, I think the prices are pretty fair. Q. Do you consider the present method of buying material satisfactory? A. I have never thought about the matter. Q. Do you check all invoices as to prices and extensions? A. Yes. Q. Does anybody else check these invoices? A. Yes, Mr. Laucoutre checks the invoices. He knows prices the same as myself. He keeps all the orders. We have four copies of the invoices and of the orders, I have one, he has one, we send one to Ottawa, and I don't know what becomes of the other. Q. What do you do with the invoices after checking? A. They are sent up to Mr. Lacouture.

MR. LUSSIER (TIMEKEEPER).

Q. What is your name? A. Alfred Lussier. Q. How long have you been working in the yard? A. Since last June. Q. How long have you had charge of your department? A. Since I am here. Q. Where were you employed before coming into the yard? A. I was manager and bookkeeper of 'Le Sorelois,' at Quebec for 23 years. Q. What is your age? A. I am forty years. Q. What authority have you regarding employing and discharging men in your department? A. No authority at all. That is under the Director's authority. Q. Do you consider your present staff large enough to handle the work of your department? A. There would be room for another man. By working very much, we get through the work, but my assistant is obliged to work

at night. Q. Do you fix the men's rate of pay in your department? A. No. Salaries and increases are given by Mr. Papineau. Q. Whom do you report to? A. To Mr. Emery, the paymaster, Mr. Champagne and the Director himself. Q. Whom do you get your instructions from? A. Always from Mr. Papineau. Q. Who takes your place when you are absent? A. My assistant, Mr. Boucher. Q. Do you sign the book? A. Yes, always and so does my assistant. Q. Have you any interference from other departments or officials with what you consider the proper running of your department? A. The paymaster comes now and then to look at my books. We are responsible for the same office, and he does not meddle with giving orders. Q. Have you any changes to suggest in the running of your department by which you can get better work from your men without additional expense to the government? A. I claim that the books at my disposal are not of the proper size. For instance, the present book of the employees is not wide enough. One of the larger size, about the size of that used for the fleet, would suit better. Also we are rather cramped for space and I would like to have a private office and also a waiting room, and a room for my assistant. We would also require a spare room in case of accidents where the sick and wounded might find accommodation. Q. What are your duties and responsibilities? A. I have to keep the men's time, prepare the pay-sheets and see that order is kept in the yard. I also see that the men are well treated. I provide all the stationery for the offices here. I also keep a stock of drugs which requires a good deal of attention in case of accidents, etc. Q. How many men have you under you? A. Two, a messenger and my assistant. Q. Are you responsible for the time of all the men in the yard? A. Yes, I am responsible. All the reports are made by the time-clock keeper. Every morning I have to check his report. I have to see that those who punch the clock at 9.30 are deducted for a quarter day. The same thing in the afternoon. Q. Do you keep the time of the office staff? A. Those who are paid by the day only. The others sign the presence book, which is sent to Mr. Papineau. Q. Are you responsible for keeping the time-clocks in proper working order? No. Mr. John Hayden has charge of them. Q. How often do you inspect the clocks? A. The clocks are inspected twice a week but almost daily by Mr. Hayden who is supposed to make his report every day. Q. Do you see that all the clocks are keeping all the same time? A. Mr. Hayden sees to that. Q. If one clock should be five minutes ahead of the others, what do you do? A. I have never noticed the clocks being fast or slow. Q. Is all the time kept from the time cards? A. Every morning at seven o'clock a watchman reports those absent which we enter in our book. We check the time cards in case of absence, when a man is not satisfied with his time. Q. Do you ever have any trouble reading these cards? A. Sometimes the ribbon in the clock is defective. We can always make out the cards but sometimes they are not very legible. Q. What time in the morning does the boy come to give out the keys to clock men? A. At seven o'clock in the morning he hands them over to my assistant here who enters them immediately in the book. Q. What happens if the boy does not come in. How would the men get the keys? A. The watchmen come and get their keys themselves. Q. At what time in the morning and at noon do the clock men open and close card boxes? A. The clocks are supposed to be opened at 6.40 in the morning and they are closed at seven. Again they are opened at 11.55 at noon and closed at 12 sharp. They are closed for good at six o'clock at night. Q. Do they always return the keys to you? A. Yes, they are always returned each to its proper place. The same thing in the evening. Q. Do you keep any record of time the keys are returned to you? A. No. The men are anxious and come regularly with their keys. Q. When there is any complaint from the men regarding their time, do they come to you? A. Yes. We discuss the matter together and check their cards with the clock. Q. Do you make up the pay-roll? A. Yes. Q. Who checks it? A. It is first checked by Mr. Emery, then by the paymaster and the Director. Q. How is it checked? A. We make out the time shown as put in by the men, and on the report

of the watchman who checks with Mr. Emery and we send the pay-list to Ottawa in duplicate. This pay-list is signed by the Director and Mr. Champagne and we pay by cheques.

MR. EMERY (DIRECTOR'S SECRETARY).

Q. What is your name? A. Henri Emery. Q. How long have you been working in the yard? A. Fourteen years next July. Q. How long have you had charge of your department? A. Since I am here. Q. Where were you employed before coming into the yard? A. I was in the wine business at St. Roch de Richelieu, manufacturing and selling wine. Q. What is your age? A. Forty-nine. Q. Do you consider your present staff large enough to handle the work in your department? A. Hardly large enough. We have a heavy department and my boy has to make up the pay-lists. All the other departments are grouped around mine and I have some trouble at times. I think another man would be wanted. I have no regular typewriter and I would require one. Q. Whom do you report to? A. To Mr. Papineau. Q. Whom do you get you instructions from? A. From Mr. Papineau. Q. Who takes your place when you are absent? A. There is nobody, but I am very seldom away. In fact I have not been absent for 14 years. Q. Do you sign the book? A. Yes. Q. Have you any changes to suggest in the running of your department by which you can get better work from your men without additional expense to the government? A. There should be a change in our having to do the work of the different departments. I want more help and I would like to have a typewriter. Q. What position do you hold? A. I am secretary to Mr. Papineau. I have passed the examinations in 1897. Q. What are your duties and responsibilities? A. My duties are to attend to the correspondence, keep the files, check the pay-lists, keep track of all recommendations, with which we have great trouble. We sometimes get 20 or 25 letters of recommendation in a bunch. We keep the men's record cards, when men are going away, when they are increased, etc. We have about 25 different indexes to keep about men's letters, requisitions, etc. I have to check all requisitions. I take the requisitions and when they come back I make three copies of each one. Q. Do you attend to all correspondence? A. As secretary I do. Mr. Terreault sometimes reads letters but I write Mr. Terreault's letters as well as keep copy of all the official correspondence. Q. How many men have you under you? A. I have one boy. Q. Do you check over the men's time? A. No. I check the lists to see to the correctness of figures. Q. Do you check the pay-lists? A. Yes, I check the pay-lists to see that everything corresponds. Q. Do you check any invoices as to prices and extensions being correct? A. No, that is the accountant's business. Q. Do you keep any records of attendance of the men in the offices? A. Yes, we have a regular book where the officers sign. Q. How are the men's rates of pay fixed? A. That is Mr. Papineau's own privilege at the suggestion of the foremen. Q. Is a man rated as soon as hired, or after he works a few days, and then according to his ability? A. As a rule, a salary is given to begin with to see what the man can do. Sometimes the men are recommended by foremen for an increase of salary. Q. Do you keep a complete record of all correspondence? A. Yes, of every letter, document, etc. Q. Do you keep a complete record of all requisitions for material? A. Yes, a complete record. Q. Are you advised when a requisition is filled? A. Generally the checker gives copies of requisitions, and when they are filled, he brings them back, we attach them to the orders and compare both to see if everything is all right. We compare them to see if the goods are as asked for in the requisition. Q. Do you keep a record of the requisitions as returned from Ottawa? A. Yes, a complete record is kept. Q. Do you keep any records as to the cost of different materials? A. No, I do not keep a record of that. Q. What does your assistant do? A. My boy does typewriting, he keeps different accounts and he helps me to keep the files. Q. How long has he been here? A. Six years. He is a good little boy. Q. Did you do the same work for Mr. Desjarats? A. Yes. Q. Were conditions in the

office the same in Mr. Desbarats' time as at present? A. We have more work now than then. The work is developing all the time. Q. Do you know if any men have been discharged recently for any other than political reasons? A. No, I don't know, I think they were all discharged for political reasons. Q. Do you know if any men are ever taken on when not needed, because they have letters from members of parliament? A. I would not say there are, but the pressure brought to bear is very hard. It takes a man like Mr. Papineau to resist that pressure. The same trouble has always existed. Q. Do you know if all men having letters are given work? A. No. I have all letters in my drawers. We would have to double the shipyard to give all the work asked for. Members of Parliament come from different counties with lists of five, eight and ten men, and fight between themselves about getting positions for their men. About a month ago a member insulted Mr. Papineau because Mr. Papineau would not take on his men. That deputy said to Mr. Papineau, 'You will be kicked out of this.' Q. The painters that were discharged and were taken back again, were all the same men that came back? A. Of course, the paint work generally begins in the spring, and we have not so much work during winter. So in February there was very little work and those men were discharged. I do not remember exactly the number. That was this year. They were not discharged for political reasons, but because there was no work to keep them on. Two weeks ago they were taken on again. Q. Do orders ever come from Ottawa to discharge a man? A. No. In the case of there being no work it is left to Mr. Papineau's orders. The deputy minister sends letters sometimes to say that so-and-so must be discharged, but no reason is given.

MR. TERREAULT (ASSISTANT DIRECTOR).

Q. What is your name? A. N. H. Terreault. Q. How long have you been employed in Sorel yard? A. Ten years. Q. How long have you been assistant director? A. Three years. Q. What are you professionally? A. I am civil engineer, a graduate of the Polytechnical School of Montreal. I was three years draughtsman wtih the Phœnix Bridge and Iron Works, Montreal. Also with the Cambria Steel Co., of Johnston, Penn., U.S.A., also with the General Electric Co. of Schenectedy, New York, and Municipal Engineer in Vanier's office, Montreal. Q. What are your duties and responsibilities? A. I see to the execution of the work under the direction of Mr. Papineau, and I understood from Mr. Desbarats that I was to act as consulting engineer for the fleet alterations, but one day I heard Mr. Papineau say he was the consulting engineer. I am not directly responsible for repairs. The fleet is not under me, but I look after the repairs. Q. Do you take direct charge of the drawing office staff, approve dimensions of vessel building, fix sizes of engines, boilers and auxiliaries, supervise the designs, as to form of lines, details of construction, stability, carrying capacity, scantlings, etc.? A. Mr. Papineau has all that responsibility, but I believe he holds me responsible if any mistakes are made. Q. Do you personally supervise the construction of hulls, machinery auxiliaries, etc.? A. Yes. Q. Do you engage heads of departments, foremen and workmen and discharge them personally? A. No, I have nothing at all to do with the engagement or discharging of the men. Q. Do you supervise the launching of vessels, hauling boats on slips, etc.? I do supervise the launching of vessels. Q. What is the heaviest boat you can slip? I believe we can dock 1,200 tons. Q. Do you take stock annually? A. I have nothing to do with stock-taking. Q. Have you at any time made valuation of the yard, appliances, tools, buildings, etc.? A. No. Q. Do you make an annual report of the work done, work on hand and money spent for Ottawa? A. Mr. Papineau does that, but I am supposed to help him. Q. Do you ever compare the amount of work done with the expenditure of the yard, to find out if the work has been carried on economically? A. No. Q. Do you make up the cost of proposed new vessels before hand? A. I make a rough estimate according to the old construction we had before. Q. Do you keep proper track of the

cost at various periods during construction, so as to be able pick up any leakage? A. Yes. We have information from the cost department several times during construction. I had that last week. Q. On completion of the vessel do you compare the actual cost with the estimate and the time taken to build? A. Not in a special way. When a boat is finished that is all there is to it. Q. What are your daily duties? A. I send orders to each department for the work that has to be done during the day. If material is to be ordered for the construction, I see that the lists are made and sent to Mr. Papineau. I go ahead and order, and keep a memo. on my table. Q. What are your hours of attendance at the yard? A. I stay here at all times, every evening until ten o'clock very often. I am telephoned at the house during summer at almost any time. My regular hours are from 8.30 in the morning till 5 p.m. Q. Who has the power of acting during your absence? A. Mr. Papineau acts in my absence. When the orders are given and the work is progressing, Mr. Bridges or Mr. Deans acts in my absence. Q. Do you supervise or arrange for the buying of steel, wood, engines, boilers, winches, pumps, deck auxiliaries and outfit for hull and machinery? A. Yes. I send my list to Mr. Papineau and he makes arrangements with Mr. Doutre at Ottawa. Sometimes he makes changes in the quantities if he believes too much or not enough is ordered. We do not always get what we order. Q. Do you have vessels tried on a measured mile for speed, for coal consumption and performances generally? A. Yes, we have made trials of the *Vercheres* and the *Leamington,* the *No. 21,* and the *Maisonneuve,* on a measured mile. Q. Do you personally supervise the tests? A. Yes, with the assistance of Mr. Bridges and Mr. Deans. Q. Do you work piece work on any parts of the construction of vessels? A. No. Q. Is there any instruction from the government against working piece work? A. I do not know of any. Q. Have you any means of knowing how much work men turn out, saw platers, riveters, caulkers, drillers and carpenters caulkings? A. No. Q. Is the men's work for the day tallied up at any time as a check of what they are doing? A. I do not know. This is not my business. I have no authority on that subject. Q. Is there any time allowed for punching time-clock? A. Five minutes at noon. Q. Is there any time allowance for men to wash up before knocking off? A. No. Q. Is there any time allowance for men to return tools to store room before knocking off? A. Five minutes at six o'clock. Q. Do you curtail working hours during winter months? A. Yes, one hour, from seven to five instead of seven to six. Q. Do you lay off the out-door men for bad weather? A. No. Q. Is any record kept of time lost through bad weather? A. No. Q. What action do you take when a foreman reports a man for insubordination, bad time keeping and misbehaviour? A. I send the foreman to report to Mr. Papineau. Q. Do the accountant, timekeeper, paymaster and storekeeper get their instructions direct from you? A. No. The department of cost gives them orders for the disposition of the work, that is to issue the job numbers to the different departments. Q. What record of scrap is kept as a check on the ordering of material? A. The orders to the store are to give a new piece for different machine or tools just when men come back with the old parts. When there is some steel ordered for construction this steel is charged to the store and the requisitions charging the part or piece to the job number. Q. How is scrap steel, iron, copper, etc., disposed of? A. I have nothing to do with that. Q. Do you ever take means to find out the weight of scrap steel left in construction of a boat? A. No. Q. How is the record of weight of rivets kept? A. There is no record kept. It is only in the requisition in store. Q. How is the record of service bolts kept? A. The same thing, they are charged to each construction. Q. Are the disused rivets returned to the store and credited to the ship? A. No. They remain in the department for other construction. Q. Are service bolts rescrewed and used again or scrapped? A. Yes, they are rescrewed and used again. Q. Is there any record of tools given to the men kept? A. I do not know of any. There is no standing order to that effect. Q. Is there any record of the tools returned by the men kept? A. Pneumatic tools must be returned every night at the boiler shop in the tool room, but no other tools need be.

The foreman sees about them. Q. Are tools returned to the store periodically for examination? A. Yes. Q. Have you a telephone system in the yard for calling up various departments? A. Yes. Q. Have you any fire brigade system? A. We have no system, but we have a captain. Q. What kind of fire protection have you got? A. We have two hose reels, 13 hydrants and hose in every important building with stand pipe. Q. Have you any arrangements for supervising w. c. and the time the men spend there? A. No. Q. Do you think the present system of clock timekeeping perfect? A. I think it does as good as any I know of. Q. On delivery of castings and forgings, are weights checked by calculation or otherwise before the invoice is passed? A. They are checked on the scale. Q. Do you check steel invoices for plates and angles by calculation for rolling margins before invoice is passed? A. That is by calculation. As for rolling margin, I report to Mr. Papineau and I do not know what action is taken. Q. Is timber all measured up and passed as to size and quality before invoices are passed? A. I think so. Q. What means do you take to insure that goods as supplied are as per sample? A. That is the storekeper's business. When special orders for construction come under my department I see to them. Q. Do you approve of the present system of purchasing goods in Ottawa? A. It seems to me that this is a slow way to get what we need. That is the only thing I know about it. Q. Can you estimate the cost of repair work? A. Yes, when the work is specified. With general overhauling of machinery, I cannot do that. Q. Do you ever get a list from timekeepers regarding the number of men working on the yard each day or week or month? A. No. I have absolutely nothing to do with the men. Q. Have you more work ahead of you this year than last year? A. No. Q. Do you know what iron work labour is costing per pound on hull construction? A. Yes. Q. Do you think you have a sufficient number of men for work on hand? A. Yes, we have about 150 men too many about the yard. Q. Have you any complaints to make? A. The only complaint I would mention would be about the authority I would like to have over the foremen and the men, and about the political interference. Q. Have you any recommendation to make as to the more efficient working of the yard? A. There is the question of handling the material and the authority of the men under me. Each foreman I may say should have means of keeping strangers out of the shipyard who are causing us great trouble. That is all I have to say. Q. Do you find any difference now from when Mr. Desbarats was here? A. It is no better nor worse. We have the same difficulty with political patronage. Q. Were those 50 painters fired for political reasons? A. I cannot say, because I had nothing to do with the matter. When I see men in the shipyard I do not know whether they are working for us or not.

MR. D. CHAMPAGNE (PAYMASTER).

Q. What is your name? A. D. Champagne. Q. How long have you been working in the yard? A. 28 years. Q. How long have you had charge of your department? A. 8 years. Q. Where were you employed before coming to the yard? A. I have always worked in the yard. Q. What kind of work were you doing there? A. I was assistant timekeeper and assistant storekeeper previous to my present position. Q. What is your age? A. 43 years. Q. What authority have you regarding employing and discharging men in your department? A. I have no authority. Q. Are the men in your department permanent employees? A. I have only one man and he has only been with me a short time. I had to get a new man on account of the extra work due to paying the men with cheques instead of cash. Q. How do you get a new man when you need one? A. I have to go to Mr. Papineau. Q. Who do you get your instructions from? A. I refer to Mr. Papineau in reference to the yard paying. I also pay the men on the ship channel fleet and this is under Mr. Forneret. I go out once a month and pay the fleet in the summer time, this takes from two to three days as I have to go from Montreal to Crane Island. Q. Who takes your place when you

are absent? A. Nobody takes my place and nobody has authority to sign pay cheques except myself. Q. Do you sign the book? A. No. Q. Have you any interference from other departments or officials with what you consider the proper running of your department? A. No. Q. Have you any changes to suggest in the running of your department by which you can get better work of your men without additional expense to the government? A. None. Q. What are your duties and responsibilities? A. I have to pay all the men in the yard twice a month. I have to pay all the men on the fleet which is about 900 men and amounts to about $60,000 per month, once a month in cash. I pay the yard in about half a day while it takes me about three days to pay the fleet. The men on the fleet have to sign the pay roll in my presence and the captain of the boat. Men who can't write make a mark and then I sign the pay roll, the captain signing as witness. I have to check all the pay rolls each pay. I go to the bank and check over the returns with the bank after each pay. The pay for the yard and fleet is deposited in the bank in my name and I have to account for the full amount. I make out reports regarding this to Mr. Papineau. Q. How many men have you under you? A. One. Q. How do you pay the men? A. I pay the yard by cheque for each man. I go to the office in each department and the men come there for their pay. I pay about 100 men in 15 minutes. Q. Are you responsible for the correctness of the pay-roll? A. Yes, regarding the amount of each cheque. Q. How long does it take you to pay all the men? A. Four hours. Q. Do you go around to each department to pay the men? A. Yes. Q. How do you do in the case of overpay or under pay? A. Sometimes it stands till next pay and sometimes Mr. Papineau issues a cheque in case of underpay. Q. Do you pay the office staff? A. Yes. Q. How are they paid? A. I get cheques from Ottawa once a month. Q. Do you issue any cheques for invoices? A. No. Q. Have you any petty cash account? A. No.

MR. PAPINEAU (DIRECTOR).

Q. How long have you been employed in Sorel Yard? A. Since February, 1908. Q. How long have you been Director? A. I have been Director for 2 years, next May. Q. What was your previous employment? A. I was a civil engineer with the Department of Public Works, and before that with the Department of Railways and Canals. Q. What are you professionally? A. A civil engineer and land surveyor. Q. Do you take direct charge of the drawing office staff, approve dimensions of vessels building, fix sizes of engines, boilers and auxiliaries, supervise the designs as to the form of lines, details of construction, stability, carrying capacity, scantlings, etc.? A. No. I look after the general direction of the shipyard, finding about the needs and requirements of the works. I look to the employees, hiring them and discharging them, and supervising generally. The technical part I am not supposed to look after in all details. I have a general knowledge of what is being done. The draughting office prepares the technical work. If mistakes were made in the draughting office, it would naturally follow that the whole of the work would feel the result of such mistakes. Q. Do you engage heads of departments, foremen and workmen, and discharge them personally? A. Heads of departments as a rule are engaged upon the recommendation and approval of Ottawa. As it happens, since I have been here, lately one foreman gave his resignation and another one was dismissed, both were appointed by Ottawa, and in that case I had nothing to say in the matter. Dismissals come from the deputy minister in Ottawa. The reasons for dismissals are not given. Q. Do you personally supervise the construction of hulls, machinery auxiliaries, etc.? A. No, not personally. Sometimes I go around the sheds during construction, in the machine shops, etc. Q. Do you supervise the launching of vessels, hauling boats on slips, etc.? A. I authorize the work of hauling or launching vessels. I am asked about this being done and I authorize it. Q. What is the heaviest boat you can slip? A. I think we can dock about 1,000 tons or a little over. That 'No. 10' we built on the slip was about that.

The upper part is a little flimsy, still we had no trouble about it. Q. Do you take stock annually? A. No, not annually. Q. Have you at any time made valuation of the yard, appliances, tools, buildings, etc.? A. I thing we had a kind of rough estimate. I have not done it myself. Q. Do you make an annual report of work done, work on hand and money spent for Ottawa? A. Yes. Q. Do you ever compare the amount of work done with the expenditure of the yard, to find out if the work has been carried on economically? A. Yes, when the construction is finished. We inquire from the cost department to find out what is charged and how much money we have. We want to see how we are getting along. For instance, that small tug we are getting repaired now, we know how much everything will cost. Q. Do you make up the cost of proposed new vessels beforehand? A. It has been done this way, that we compare with former prices for vessels of the same kind and what the cost was to build them, and we base on this an estimate of what we should ask. Q. Do you keep proper track of the cost at various periods during construction, so as to be able to pick up any leakage? A. The cost department looks after the expenditure and we ought to be able from the cost to find out what any job has cost, and by that we see whether it is costing too little. There has been a drawback to the cost system in this way, that the indirect cost has to be figured and added to the expenditure. Now it takes at least five weeks before the indirect cost of one month is figured, after the month is run out. They have to bring in all the accounts, bring the distribution of time, and then charge each shop with its share, and then bring that together again to find what the indirect cost as compared to the whole of the work is. Then find out what the labour has been for the job, and apply the indirect cost for each month according to the month in which it has been made. Before that calculation is finished, it is almost 5 weeks after the month is finished. In that way we would want the cost to be ready at the end of the week to give us a result. For that we would have to establish for each month for past years what the indirect cost is, say January, February or March—whatever work was done in one of these months would be charged indirect, at the rate established beforehand at the end of four weeks, and if $400, say, has been spent on a job, add 30 or 40 per cent, and find that the job has cost us $520 or thereabouts. Q. On completion of a vessel do you compare the actual cost with the estimate and the time taken to build? A. We do it between ourselves, not in a formal manner. When a vessel should be finished in May, for instance, and it is finished only in September, we know we are behind. Q. What are your daily duties? A. I have to asnwer any correspondence from Ottawa with regard to work. I have to supervise requisitions, approve or disapprove them and check the quantities that we are asked to purchase. One of my duties is to answer applications for work. I do that myself. Men come with letters from deputies and they would feel aggrieved if proper consideration was not given them. This has been a great weight on my office. Q. What are your hours of attendance at the yard? A. I have no fixed hours. I am here as a rule from 9 till 5 p.m. Q. Who has power of acting in your absence? A. The assistant director for most things. The checker acts for certain things. He looks after the discipline of watchmen, time-clocks, etc. Q. Do you supervise or arrange for the buying of steel, wood, engines, boilers, winches, pumps, deck auxiliares and outfit for hull and machinery? A. We arrange in this way, that for the steel wanted we get a list of materials prepared in the draughting room of the technical department. As to machines, a list is supplied of what will go on a vessel. For the machinery, for instance, we decided together with the foreman or the assistant director what should be purchased; we do the choosing. The requisitions are made and sent to Ottawa. There they either approve of buying the machinery or disapprove. If they approve of buying, they ask for prices, generally on our specification. When they have the prices, they place the order or sometimes ask for tenders. When there is a question as to price of machinery, and the suitability of same, these things are referred to us. In that case we report on what is best suitable. Q. Do you buy timber, logs, etc., here? A. This is

done in Ottawa. Formerly it was all done here until 1908, when they introduced a purchasing department in Ottawa. From that time they do the purchasing there except for small things. We buy few logs here. Q. Do you have vessels tried on a measured mile for speed, for coal consumption and performance generally? A. We generally make a trial to find the speed of a vessel. We have a measured mile here. As a rule we have not much time to make the trials, for there is always a hurry to get the boats away. Q. Do you personally supervise the test? A. Yes, I have done so with the *Montmagny*. Q. Do you work piece work on any parts of the construction of vessels? A. No, we do not. Q. Is there any instruction from Government against working piece work? A. Not that I know of. Q. Have you any means of knowing how much work men turn out, say platers, rivetters, caulkers, drillers and carpenter-caulking? A. The only way would be by looking over the time charged to each job number. The men are not supervised during the day by anybody. Each foreman is supposed to see that each man does proper duty. We have a man who goes around and reports to the chief of construction, what the gangs are doing, and it was the intention to have him report in detail, but this is not in full swing yet. Q. Is the men's work for the day tallied up at any time as a check of what they are doing? A. Each day the time is charged to the different jobs. Q. What supervision have you over all the various repair jobs now going on? A. It is the return of the job numbers and the information from the foreman occasionally about his getting on with repairs to such boiler, or putting together an engine, etc., which supply us in that case. I do not go personally now and then to supervise the works. Q. Is there any time allowed for punching time-clocks? A. There is an allowance of 5 minutes before 12 at noon, to give the men a full hour for dinner. The whistle blows at 5 minutes to 12. This allows the men 5 minutes to punch their time and have an hour. Q. Is there any time allowance for men to wash up before knocking off? A. No, there is no time allowance. Q. Is there any time allowance for men to return tools to store room before knocking off? A. Yes, they get about 10 minutes to get their tools in. We do not object to their taking that time. They have heavy tools to carry back, for instance, pneumatic tools. Q. Do you curtail working hours during winter months? A. Yes, it is 9 hours instead of 10 hours from November till March. Q. Do you lay off the outdoor men for bad weather? A. No. Q. Is any record kept of time lost through bad weather? A. No. Q. What action do you take when a foreman reports a man for insubordination, bad timekeeping and misbehaviour? A. I suspend him. In some cases the man is dismissed. When the men have actually been dismissed I do not think I will take them back. Q. What authority do you give your assistant for dealing with matters pertaining to the working of the yard generally? A. He has authority to distribute the work and, to a certain extent, determine what particular should be begun and tell the men, when ready, to go on with such a work. He has a great deal of authority on the foremen, who consult him on all technical points. Q. Does your assistant have a free hand? A. Oh yes, as regards the employing and discharging of men. In case of insubordination he could suspend a man, but he would report to me. He can suspend but not discharge a man. Q. Do the accountant, timekeeper, paymaster and storekeeper get their instructions direct from you? A. Yes. The accountant to a certain extent reports to Ottawa through me. In some cases they act direct. Q. What record of scrap is kept as a check on the ordering of material? A. There is no record daily kept of that. Q. How is scrap steel, iron, copper, etc., disposed of? A. It is sold upon offers made to the department at Ottawa. We send a list of what we have and they ask for prices. This is done about once a year. There is no regular date for this sale. Q. Do you ever take means to find out the weight of scrap steel left in construction of a boat? A. No, we do not. Q. How is the record of weight of rivets kept? A. The rivets are called for upon requisitions, and charged to the job. They are taken away in small quantities. What is not used ought to be returned, but I cannot say positively that they are. Q. How is the record

of service bolts kept? A. In the same way as they are charged. They ought to be credited when the construction is finished, and charged to the next construction with a discount. Q. Are service bolts rescrewed and used again or scrapped? A. Yes, when they are thrown away they are rescrewed and used again. When they are not spoilt they are used until they are unfit. They are passed through the screwing machine and used again. Q. Is any record of tools given to the men kept? A. They are checked off the list. If a man should not return the tool he is asked for it, but no record is kept. Q. Are tools returned to the store periodically for examination? A. Yes. We have a department in the machine shop that looks after any tool that has become blunt, and it is run through the machine shop. No tools are sent to the store except in case the men are short of a new tool, when they will borrow from the store and return it there when through with it. The tools are always used until quite finished. Q. Have you a telephone system in yard for calling up various departments? A. Yes. Q. Have you any fire brigade system? A. We have no organization. The foreman of the pipe shop has to look after that and his men are supposed to form into a brigade and help. We try the hose, but not in winter time as it would become frozen but in summer time. Q. What kind of fire protection have you got? A. This consists in a few Babcock extinguishers in the buildings, and we have two hydraulic pumps driven by motor, and a spare pump which can be driven by steam. Q. Have you any arrangement for supervising w.c.'s., and the time men spend there? A. No, we have no regular system. Q. Do you think the present clock system of time-keeping perfect? A. Well, I do not think it could be called perfect. There is a great inconvenience. The clocks seem to be affected by the weather in winter time. We find them getting out of order, the one outside. Sometimes the figures that show the time seem to have stopped, probably because the clock is stopped and remains slow or behind time. They will show, say 5 when they should show 7, etc. Q. On delivery of castings and forgings, are weights checked by calculation or otherwise before the invoice is passed? A. No. They are compared with the drawings and if they suit, very well. Q. Do you check steel invoices for plates and angles by calculation for rolling margin before invoice is passed? A. Sometimes we do, but not in every case. Sometimes we compare the weight of the forgings with the invoice, but not always. For overweight we do not deduct anything. The invoices are checked; we run the list through to the office. The contracts for steel are made in Ottawa, but I do not think there is a clause as regards the rolling margin. Q. Is timber all measured up and passed as to size and quality before invoices are passed? A. Yes. We buy the round logs. We pay for these at the rate that we pay for a log equal to the square. We take the full diameter and deduct a quarter from it. We take the middle diameter and deduct a quarter. For instance, a 16-inch diameter will give a square log of 12 inches, and we do not pay for the slab. Q. What means do you take to ensure that goods as supplied are as per sample? A. We do not always have samples. For cotton waste we get samples and compare. For oakum we get samples. Our checker makes the comparison with all the samples we get. If the checker has doubts about values we ask a competent foreman to compare with what we have had before to see whether it is the right thing. We send samples to Ottawa which are not returned. Generally we have some of the old stock to compare with.

They send us a sample from Ottawa and leave it here as a standard, for instance, when they buy brooms, they send us one for a sample. When no sample is sent from Ottawa, we find out by comparing with what has been sold to us before. When we find the goods inferior, we advise Ottawa and they make a claim upon the company selling the goods.

Paint is always bought at Ottawa. I think they buy on samples. They do not always send us samples of white lead. Lately we get some yellow paint and it must have been inferior, because when using it we used three times as much oil to make it useful. We reported to Ottawa. They insist on pure paint when it is not pure paint.

Q. Do you approve of the present system of purchasing goods in Ottawa? A. I have no objection to that system. For certain things it is all right. For other things it is a little slow. Oils, paints, bolts, nails, etc., are things which they can buy easily and probably a little cheaper by buying for the whole Dominion. They get better prices from the manufacturers who find it worth their while to give low prices for good customers. Q. Can you estimate the cost of repair work? A. I would not venture out in that direction. Q. Do you ever get a list from the timekeeper regarding the number of men working in the yard each day or week or month? A. I know by the lists every evening. I would know if their number was increasing because I know of all men coming in to be appointed. As the works get on towards construction we attend to dispensing with men. When work is getting scarce the foremen will tell me, 'We have too many men and will want less in a few days.' 80 or 90 men, boilermakers, will be dismissed shortly because new work is not plentiful. In March we stop the work of painters every fortnight because work is scarce then. Q. Have you more work ahead of you this year than last year? A. This year we have less. Q. Do you know what iron-work labour is costing per pound on hull construction? A. No, we have no figures on that. Q. Do you think you have a sufficient number of men for work on hand? A. At present, we have fully enough. Q. Do you think you have too many men for work on hand? A. Not just at present, but in another 3 weeks we will have too many. We are paying off 80 or 90 just now. Q. If so, about how many? A. We have about 950 men now, and at the end of April we should get them down to 750, which would mean that we have about 200 too many, although I do not say that we have 200 too many now. Q. Have you any complaints to make? A. The worst thing is the pressure from outside to force men into employment against our present needs. If a man goes, for instance, 6 hours before I know there are 2, 3, 4 or 5 men offered to take the place. Q. Do you take upon yourself to discharge the men? A. This could be placed in the hands of one of the officers. At one time it was decided that the time-checker should look after that part. Q. Would it not be better if each foreman would employ his own men? A. There might be drawbacks to that. The foreman is the best judge of the worth of the men at work, because he has them under his eyes. At the same time, the men are related or friends of so and so, and whenever there is a job, well paid, the foremen are subjected to that outside pressure. Even now, this is tried. The foremen are asked to look after such and such an employee, to get him a good job and good pay, and to even get others out to make way for that man. Q. Do you fix the men's rate of pay? A. Yes. We had a kind of schedule of prices arranged from such a price to such a price, and as the men came, unless they are known to be very good men, we start them at the lower price and work them up to a higher rate as they become more competent for our work. A young man comes in as an apprentice, say at 50 cents a day, the starting price, and works up until he earns $1.25 a day, and up again until he is put at the rate paid a regular mechanic. There are few apprentices here in the machine shop, for as soon as they know the trade a little they go. They are supposed to serve three years. Q. Do you bind the apprentices to a certain number of years? A. A boy comes here and is supposed to serve 5 years. That boy is to be paid so much money and raised each year, but he must serve 5 years. These men in the machine shop are somewhat under these lines. They began at 50 cents and worked up. After that we give them good wages. We have formed some pretty good men. Q. Have you any recommendation to make as to the more efficient working of the yard? A. I think we would get better results if we could give better wages and cut down the number of men employed to that absolutely required in each shop. We would get a better class of people. There are a good many men who have left Sorel and gone elsewhere, who would be quite willing to come back if they could get good pay. The men who are willing to stay here are not the best of each kind. I may be mistaken though. The deputies recommend men rather recklessly, and they have a way of

imposing such men much against my authority and against the authority of the foreman. Q. Do you sometimes get an inferior man because of political backing? A. Well, sometimes we feel we have men we would not pick out for ourselves, and we are forced to employ them. If we had a free hand we would be better off. The right way would be, for instance, if we wanted two or three good carpenters; the patronage, of course, rests with the deputies; they would be notified of our need of these carpenters; they would pick out, among the best, two or three first-class men and send them to us, not send 20 applications and let us pick out without a chance of getting the right men, the rest of them fighting among themselves and going back to the deputies and reporting that 'we have been there and we cannot get any work.' For instance, in January last my office was filled with about 50 men with letters. It took me over two hours to look over that list and say, 'no room, can't be done.' Sometimes we would take one man, the others would say to their backers, 'they have taken so and so and they would not take me.' This is a loss of time and it is a bother for deputies. They do not get much credit and we do not get any at all. I might be better employed otherwise. If the men come with a letter from the deputy, that letter is addressed to me personally, I have to be very careful, I must read it carefully, give it great consideration, and give the bearers some kind of reason for not taking them on at once. They believe they should start right away. We give them as good an excuse as we can. If we cannot say 'yes' for the present, they will come the next day, the next week, and will return perhaps 10 or 12 times. Some of them do not live far and are always here. It is all a great loss of time and a great bother with no good result. There is also the difficulty about the men living across the river. We have a few who, after punching their time, go across and spend the morning idle and come back in time to punch the clock again. They do that without being seen by the foreman, but some have been caught and have been discharged, and I have never taken them back. However, there is no particular way of closing the yard to prevent that sort of thing. We have to have watchmen all the same with automatic fences.

This concludes Mr. Papineau's evidence and the investigation.

APPENDIX E.

LIST OF TIME CLOCKS AND LOCATION.

No.	Clock.	Located.	In charge of
1	1-200	Machine shop	Leon Dessert.
2	401-600	" "	Adel. Bouchard.
3	201-400	Sawmill	Cuth. Champagne.
4	601-800	Shed No. 9 in yard	Ad. Joubert.
5	801-1000	" " " "	John Hayden.
6	1001-1200	Boiler shop No. 2	Treffle Grondines.
7	1201-1400	" " " 1	Wilf. Davignon.

DISTRIBUTION OF MEN ON CLOCKS.

No. 1 Pattern makers, blacksmiths, and machinists.
" 2 Carpenters, saw mill, labourers, painters and asbestos.
" 3 Carpenters, electricians and labourers.
" 4 Labourers.
" 5 Machinists (fleet), boiler makers (fleet), and labourers.
" 6 Boiler makers.
" 7 Boiler makers, steam fitters and mould loft.

NOTE.—There are about 150 men on each clock.

APPENDIX F.—*Buildings Plan (Not printed.)*

APPENDIX G.

CONTRACT FOR ELECTRIC CURRENT.

THIS INDENTURE made in duplicate this first day of October, in the year of our Lord one thousand nine hundred and nine.

BETWEEN the Sorel Electric Company, a body politic and corporate having their chief place of business at the City of Sorel, Province of Quebec, in the Dominion of Canada, represented herein by A. E. Pontbriand, President of the said Company, hereinafter called 'The Company,'

Of the First Part;

And HIS MAJESTY KING EDWARD the SEVENTH, represented herein by the Honourable Louis Philippe Brodeur, His Majesty's Minister of Marine and Fisheries for Canada,

Of the Second Part.

WITNESSETH that in consideration of the covenants and agreements on the part of His Majesty hereinafter mentioned the Company covenant and agree with His Majesty as follows, that is to say:—

1. The said company shall supply to the Government Workshops at Sorel aforesaid, the electric current for the operation of the several machines, appliances and for the lighting at and in the said Government shops and shipyard;

2. The electric current so supplied by the said Company must be such as to produce at any time and at all times as may be required by His said Majesty as aforesaid, four hundred and fifty electrical horse-power, and for the purpose of such measurement seven hundred and forty-six watts will constitute one electrical horse-power.

3. His Majesty to have the privilege of using power in excess of that contracted for up to twelve and one-half horse-power, for which no charge will be made, but should the power consumed exceed the said amount of twelve and one-half horse-power, His Majesty to purchase whatever additional power may be required for his use in units of not less than twenty-five horse-power, at the price hereinafter mentioned.

4. The said power shall be supplied by the said Company at the switchboard where directed by the officer delegated for that purpose by the Minister, in the form of a two phase thirty cycle alternating current of about two thousand two hundred volts;

5. It is also understood and agreed that the Company shall not be in any way responsible for the transmission or control of electric power covered by this Agreement beyond the point of delivery at the primary terminals of the switchboard or transformers of His Majesty at the voltage and frequency called for in clause four (4) of the Agreement;

6. That His Majesty, represented as aforesaid, shall so arrange its use of power furnished under the terms of this contract that the power factor of its load shall not be less than 90 per cent, and for the purpose of determining whether His Majesty is using more power than he is entitled to under the terms of this contract, if the power factor is less than 90 per cent, it shall, for the purpose of such determination be calculated on the basis of 90 per cent power factor;

7. It is understood and agreed that the said Company shall supply the said current during the twenty-four hours of the day;

8. Meters to record the amount of power used will be installed by the said Company, at their own cost, at the said Government workshops, and the said Company shall have right of access to said meters for the purpose of observing the same. Said

meters shall be calibrated by the said Company at such times as may be deemed necessary: provided always that His Majesty may, at any time, have said meters calibrated by competent persons, by giving at least two days written notice to the said Company of his intention to so calibrate them;

9. It is understood and agreed that the said Company shall take all possible care to prevent any interruption in the delivery of the current hereby contracted for, it being understood that should any interruption occurring through any cause beyond the control of the said Company, such interruption shall not vitiate the present agreement, but if the interruption of power should last for two hours or more, there will be a proportional rebate in the rental hereinafter determined. No account will be taken of interruption of power for a period or periods of less than two hours.

10. The present indenture shall remain in existence during a period of five years to date from the first day of October, one thousand nine hundred and nine, and may be renewed at the option of the party of the second part for a further period of five years by giving notice in writing six months previous to the expiration of the contract to the said Company to that effect, always under the same terms and conditions as herein stipulated.

11. Should the said Company fail to carry out all the provisions and stipulations of the present Agreement to the satisfaction of His said Majesty, it shall be lawful for His said Majesty to cancel the same by giving a three months' written notice to that effect; and in case of such cancellation, the said Company shall have the right to be paid a proportion of the contract price hereby provided for up to the date of such cancellation and no more; being expressly understood and agreed that the said Company shall have no right to claim any damage from His said Majesty on account of such cancellation;

12. And for the proper and efficient carrying out of the several provisions and stipulations of the present Agreement by the said Company, His said Majesty shall pay the said Company at the rate of Thirty Six Dollars and Fifty Cents per annum per electrical horse-power for four hundred and fifty horse-power, being a yearly sum of Sixteen thousand four hundred and twenty-five dollars in lawful money of Canada, payable in monthly payments of Thirteen hundred and sixty-eight dollars and seventy-five cents, to be reckoned from the said first day of October, in the year one thousand nine hundred and nine.

13. Should any difficulty or difference of opinion arise as to the interpretation or proper carrying out of the present Agreement, the decision of His said Majesty represented as aforesaid, shall be final and conclusive;

14. In this Agreement and wherever the Company is mentioned, it shall be taken and construed as binding on themselves their successors and assigns; and whenever and wherever His Majesty is referred to, it shall be taken and construed as binding on His Majesty, His Heirs and Successors as represented by the Minister of Marine and Fisheries for the time being.

IN WITNESS WHEREOF, the parties hereto of the First and Second parts have hereunto set their respective hands and seals the day, month and year first above written.

Signed, sealed and delivered by the Company in the presence of:

Signed, sealed and delivered by the Minister of Marine and Fisheries in the presence of:

SUB-REPORT RE SOREL SHIP YARD—No. 2.

BY MESSRS. PRICE, WATERHOUSE & CO.

MONTREAL, April 24, 1912.

The Public Service Commission, Ottawa—

GENTLEMEN,—In accordance with your instructions we have made a preliminary investigation of the books and accounts of the Sorel Shipyard which are kept at the offices in Sorel, and we now have the honour to submit the following report which contains an outline of the present system and methods and the result of certain tests which we have made of recent transactions.

The Sorel Shipyard is situated on the banks of the Richelieu river opposite the town of Sorel. The greater part of the land on which the works are erected is, we are informed, held under lease from the McCarthy estate at an annual rental of $1,200.

The work carried out by the shipyard may be grouped as follows:—

(*a*) The construction and maintenance of the dredging fleet operating in the St. Lawrence ship channel.

(*b*) Miscellaneous construction and repair work for other Government departments and small repair work for private individuals.

(*c*) Supplying the dredging fleet during the season of navigation.

The operations of the yard are under the direction of the Marine and Fisheries Department in Ottawa, which purchases all materials and supplies, with the exception of certain small purchases which are made locally. The invoices for materials purchased are, as a rule, received in Ottawa and are forwarded to Sorel, where they are certified as to the receipt of the goods and approved, after which they are returned to Ottawa and paid by the department.

The work at the yard is in the charge of a director. This position is at present held by Mr. L. G. Papineau, whom we understand has acted in this capacity for about three and a half years; he is assisted by Mr. H. A. Terreault, who acts as assistant director.

Your instructions to us laid particular emphasis on the necessity of a thorough inquiry into the efficiency of the labour, and the number of men employed at the plant, and in this connection you asked us to co-operate with the investigators, Messrs. W. S. Jackson and T. H. Schwitzer, who are reporting to you upon the operating conditions. We have furnished the investigators with what data they required, and our representatives have rendered them every assistance possible.

PAY ROLL SYSTEM AND METHODS.

The Director engages and discharges the employees and fixes the rates of wages. We would mention in this connection that we have been informed that cases have frequently occurred where men discharged by the heads of departments have later been reinstated in their former positions on application to the Director. We are bringing this condition in regard to the engagement of labour to your notice at the outset of our remarks upon the pay roll system, for the reason that it has an important bearing upon the attitude of the employees towards the heads of the departments and consequently on the efficiency of the work performed. You will readily realize that if

the head of a department, whether operating or clerical, has not the power to discharge a man whose services are unsatisfactory, he can have no proper authority or control over his staff.

As a result of our investigation of the pay roll methods, and of incidents which came to our notice in the course of our work, we are of the opinion that the present conditions are unsatisfactory, more especially in the following respects:—

(*a*) A number of men are not punctual in reporting for work and they frequently leave work before the proper time, and deductions from their wages for time so lost are not always made. We noticed that at the noon hour it was a common occurrence for men to punch the clock at least ten minutes ahead of time, and in the evening it was not an unusual sight to see a line of men forming at the doors from fifteen to twenty minutes before the closing hour.

(*b*) Specific instances have come to our notice, both as a result of our independent inquiries and from visits to the shops in company with your investigators, where the men have been found idling.

(*c*) There are numerous indications that the foremen exercise no proper authority over their men; this lack of authority may result either from the system of engagement or from the incapacity of the foremen themselves.

(*d*) The pay roll system, which appears to have been well designed originally, is not being properly carried out at present.

Number of Men Employed.

The following is a comparison of the men employed on the shipyard pay roll in the months of March, 1911, and March, 1912:—

	1911.	1912.
Employees in the yard and shops	855	874
Foremen	10	10
Draughtsmen	10	11
General staff	4	4
Office staff	6	6
Stores	11	12
Cost department	5	6
Watchmen	7	7
Miscellaneous help	8	7
	916	937

Engagement and Discharge Slips.

When men are engaged or discharged, or wages increased, authorization slips are made out by the Director. These authorizations are, however, written on odd pieces of paper, and as there is no system of filing them we could make no satisfactory verification that the rates paid had been properly authorized.

A printed engagement slip should be made out in triplicate, one copy being retained in the Director's office, the second copy being sent to the accountant and the third to the timekeeper's office, and similar slips should be used for increases in pay or discharges.

Time Clocks.

With the exception of the office employees, store-keepers, foremen and a few yard men, all employees are supposed to punch the time clock cards.

There are seven clocks, all of the same design, viz., 'Premier Punches,' manufactured by the Toronto Electric Works Company. The men record their time four times a day in the presence of the punch-keepers, who report twice a day to the timekeeper on rough slips of paper the number of cards not punched or punched late. The punch-keepers are workmen who receive twenty cents per day extra for attending at the punches.

The time clocks are not kept in good working order and the punch records made on the cards are often indistinct and blurred. In the pay roll, February 1 to 15, 1912, the punches Nos. 1, 2, 3, 4, 6 and 7 were out of order at some time during the period, with the result that it was impracticable to decipher the record of time of the men working in the various departments punching on these clocks. Punch No. 3 was also not in good working order during the succeeding pay roll period, February 16 to 29, 1912.

Two minutes after the hour at which the men are required to enter the shops the punches are supposed to be closed: for example, if a workman were to arrive two minutes after seven o'clock, which is the hour for starting work in the morning, he would find the punch closed (if the rules in regard thereto were strictly carrried out) and it would be necessary for him to 'punch' in at nine-thirty o'clock, in which case he would only be credited with three-quarters of a day's work. Further, after the punches are closed they are supposed to be locked by the punch-keeper and the keys handed into the time-keeper's office. We find, however, that the punches are not regularly closed in accordance with the rules and that the punch-keepers often retain the keys in their possession.

Under any proper pay roll system the time-clock cards are sent to the time-keeper's office, and the pay roll is either made up from them or they are used to support time reports received from other sources. Under the system now in operation at the plant the time cards are handed into the time-keeper's office at the end of each pay roll period, but so far as we could find out the time-keeper does not examine them or compare them with his time records.

The time-keeper's office is not sufficiently large to afford filing accommodation for the cards, and it would seem that after two or three months the cards are sent upstairs to a general storage room. The cards in this room were found to be lying about in a most disordered condition and it was found impossible to obtain all cards which are required.

In order to test the methods of the pay roll department, we examined over 8,000 cards, representing the pay rolls of the months of February, March and April in the years 1911 and 1912 and also part of the month of November, 1910. We desired to make some further investigation into the pay roll of the year 1910, but found it was impossible to obtain any satisfactory proportion of the time cards in any one pay roll period.

Time-keeper's Records.

The time-keeper's records are written up from information received from the punch-keepers who, as already stated, report each day on loose scraps of paper the names of the men who are not entitled to full time. These pieces of paper are not filed in any systematic way in the time-keeper's office and it is impossible to go back and state definitely whether the time-keeper's records are in accordance with the reports received. We append hereto (Exhibit 1) a memorandum of errors in entering the punch-keepers reports in February and March, 1912, which have resulted in an overpayment of wages. There are doubtless other errors of a similar nature which cannot now be traced owing to the unsatisfactory state of the records.

The time-book records kept by the time-keeper are somewhat elementary in form and are written up in pencil. They contain the names and identification numbers of the employees on the pay roll, with spaces representing each day of the pay roll period and columns for the total days worked, the rates and amounts due. If no report is received from the punch-keeper that a workman is not entitled to a full day's time, the time-keeper draws a vertical line against that man's name in the time book, but if he receives a report that the man has been absent for a day, or fraction thereof (only quarter days being considered) he makes notations in the spaces provided by means of crosses or otherwise. At the end of the pay roll period the time-keeper enters in the total column the total days worked by each man.

In the periods mentioned above, in which we examined the time-clock cards, we also checked the clerical accuracy of the footings making up the total number of days shown on the time-keeper's records. A number of errors were found, as will be seen on reference to the appended memorandum (Exhibit 2). As these errors showed there had been some overpayment of wages, the overpayments in March, 1912, were pointed out by us to the time-keeper and an attempt will be made to recover these by deductions from future wages. As already pointed out, it is impracticable to ascertain whether there were similar errors in preceding months.

As an example of the careless methods in the recording of wages, we might mention that we came across a case of a workman who was credited with time for two weeks although he had not been in the employ of the yard during the entire period. His time was made up by the time-keeper in the usual way, but when the wages came to be paid the man could not be found, and not until then was it discovered that he had left the employ of the yard.

Overtime.

Overtime in the shops is authorized by the foremen, who report the overtime to the time-keeper. A few other employees, such as electricians, yard labourers, engineers, &c., receive overtime allowances by reporting to the time-keeper, without authorization. Overtime is posted to the time-keeper's book and a report is handed by the time-keeper to the cost department for the distribution of the charges.

It would appear to be the exception for the foremen to be present when overtime is worked, and therefore some additional check should be instituted on the overtime worked in the shops and a more systematic method adopted with regard to the handling of the overtime of the other employees mentioned.

Pay Lists.

Pay lists are made out in triplicate from information contained in the time-keeper's time book. One copy is retained in the time-keeper's department and two copies are sent to Ottawa signed by the Director, time-keeper and accountant.

We tested the clerical accuracy of the pay lists for a period of three months and subject to two small errors, found them correct.

Under a proper pay roll system the accountant should be responsible for the accuracy of the pay rolls, but under present conditions the accountant merely affixes his signature to the pay list without any verification whatsoever.

Payment of Wages.

The amount of the pay roll, when completed, is telephoned to the Marine and Fisheries Department, which notifies Molsons Bank of the amount to be advanced thereupon.

Payment of wages is made by cheques, which are made out in the time-keeper's department.

The paymaster distributes the pay cheques in the presence of a witness, usually the foreman or clerk of the department, who is able to identify the man.

Fleet Pay Roll.

The pay roll of the dredging fleet is kept entirely separate from that of the yard pay roll, and is in charge of Mr. Forneret, who supervises the operations of the fleet. When the vessels are laid up in the yard, however, the crews ring up on the time clocks and the pay lists are made up in the same manner as those of the general works.

The payment of wages is made in cash by the paymaster in the presence of a witness, usually the captain or an officer of the vessel, who identifies the men, the

paymaster visiting each dredge. The paymaster signs a declaration before a justice of the peace as to the actual payment. The point is not quite clear as to why this formal affidavit is required in the case of the fleet pay roll, while the paymaster's is accepted as regards the yard pay roll.

We have not made any investigation of the fleet pay rolls beyond testing the pay lists with the reports received from the engineers of each vessel, which show the men employed. The system appears to be fairly satisfactory, subject to the remarks that the accountant should be in a position to certify as to the correctnesss of the wages and that full information should be kept as to the rates of wages, records of services, &c.

As will be noted later under the head of 'Cost Department,' daily reports are received from the foremen of the various departments showing the work on which the men are engaged. These reports are summarized and the total amount of wages charged to the different jobs is balanced approximately with the total wages paid by the pay roll department. If the system is carefully carried out it affords a valuable check as to the correctness of the wages paid, owing however, to the fact that the foremen's reports are not checked against the time book differences between the total as shown by the pay roll and the amount charged to the various jobs were found to exist. We would suggest that in future the foremen's reports should be checked against the time book.

MATERIALS AND SUPPLIES.

We append hereto an outline of the system followed in ordering materials and supplies, passing and approving invoices and handling stores (Exhibit 3). The system if properly carried out should afford a good check that all invoices paid by the Marine and Fisheries Department represent purchases made for the benefit of the yard and should prevent duplication of payments. The system also affords a satisfactory safeguard for the handling of stores, but in one or two essential features referrred to later, it is not being carried out as was apparently intended.

We have examined the duplicate invoices on file in the accountant's department for the year ending February 29, 1912, and find that with a few minor exceptions they have been certified as to the receipt of the goods. We have also examined the advices of payments received from Ottawa covering these invoices and have found them correctly recorded in the books. We have not, however, examined the actual receipts and cheques issued for the payments, which are on file in the Marine and Fisheries Department in Ottawa. We would point out, however, some miscellaneous payments for advertising, printing, stationery, &c., which were made by Ottawa were not represented by duplicate invoices on file and we would suggest that such invoices should be forwarded promptly so as to facilitate the distribution of the expense.

In order to determine whether the store-keeping system was being carefully carried out, we checked the requisitions for the issue of stores for the twelve months ending February 29, 1912, and as a result of our investigation into this department we would call your attention to the following points:—

(1) No complete physical inventory has been taken since January, 1905, and we are informed by the store clerk that no real attempt has been made since that date to balance the quantities of any materials or supplies on hand with the book records, and the stock ledgers have not been added for some time. Unless this is systematically done the information afforded by the stock ledgers as to the quantities on hand can hardly be considered of value and the failure to bring the records into accord with physical conditions may result in considerable loss of supplies.

A physical inventory is now being taken. The work was started about the middle of March last, but it is not expected that it will be completed for several

weeks. The store-keeper is in charge of the taking of this inventory, and has several men working under his direction, but the work appears to be proceeding slowly.

(2) A large quantity of timber is used, which is purchased f.o.b. Sorel or other points. The foreman of the sawmill informs us that he has entire control over the inspection of timber, either passing upon its quality at the point of purchase or after its arrival. He also states that if he inspects the timber at the point of purchase and it is floated down the river, which is the usual method of delivery, no systematic verification, either as to quality or quantity is made upon its arrival. The invoices for the purchases of timber are approved as to receipt and quantity by the sawmill foreman.

We would consider it desirable to make a more extended inquiry into the purchase of timber by examining the methods followed in awarding tenders, and also a further investigation into the question of passing upon its quality and the prices charged to the jobs.

(3) Where wood is required for construction in large quantities, timber is purchased and charged direct to the cost of the job and the cost of handling and sawing is subsequently added.

Such a system does not provide sufficient information as to the charges to construction accounts, and it should be changed in order that all timber purchased may be charged to a timber account which would be credited at cost with the lumber used and the job charged.

We have been furnished with reports of the operations of the sawmill, some of which show considerable shrinkage in the cut of logs and timber. As for example, in November, 1910, 22,957 feet of elm cut at the sawmill only produced 12,814 feet of lumber, and in December, 1910, 21,156 feet of elm produced only 11,568 feet of lumber.

(4) Certain purchases of coal are not handled through the stores department, but are charged to a fuel account on the cost department records. When such coal is used by any department requisitions are sent into the office containing an estimate of the quantity taken and the fuel account is credited with the values thereof. The credits to the fuel account are, however, made at prices in excess of cost, and this results in a considerable apparent profit on the handling of coal, and an excessive charge against operations.

We would suggest that the coal on hand be placed under the supervision of the store-keeper and charged out to the various departments at a price which will represent the cost of purchase and handling.

(5) From time to time the Director reports to the Marine and Fisheries Department an estimate of the scrap on hand. Tenders for the purchase are obtained in Ottawa and a copy of the contract of the successful bidder is forwarded to the Director.

When a purchaser takes delivery the scrap is weighed in the yard and a report of the weight is sent to the Director. The Director collects the money due and turns it over to the accountant for remittance to Ottawa.

This system does not afford a proper check and in future we would suggest that when scrap is weighed a report of the weight should be made out in triplicate, one copy being sent to the Director, one to the accountant and the third retained by the store-keeper. The accountant would then be in a position to pass as to the correctness of the amount of cash received in respect of scrap sales.

(6) On reference to the attached outline of the system of approving invoices you will note that the clerical accuracy of invoices is verified both by the store-keeper's department and the accountant's department. This duplication of work would appear to be unnecessary, and it would be better to place the entire responsibility for the verification of invoices on the accountant.

COST DEPARTMENT.

The Cost Department is in charge of Mr. J. W. Latraverse, who renders monthly statements to the accountant.

Requisitions for supplies issued by the store-keeper are received in the Cost Department and extended as to values. The requisitions are then copied into a day book, after which they are posted to the proper job number in the cost ledger.

The entering of these requisitions in the day book appears to involve an unnecessary amount of work, the only advantage apparently being that the total of the requisitions posted is shown. This information could, however, as readily be obtained by the use of an adding machine.

As already mentioned the Cost Department received daily reports from the foremen of the various departments showing the men engaged and the jobs to which their time is charged. Daily reports are also received in the Cost Department from the time-keeper's office showing the names of those who have been absent for a quarter of a day or more, and these reports are supposed to be checked against the foremen's reports and any discrepancies found investigated. The foremen's reports of the men's time are recapitulated daily by job numbers and at the end of the month the rates of wages are filled in and the amounts extended and posted to the cost ledger.

In order to test the accuracy of the work of the Cost Department we compared the material distribution slips and the foremen's labour reports for the month of February, 1912, and made a simlar test for about ten days in February, 1911. So far as we can determine from these tests the work in the Cost Department is being fairly well carried out. At the present time it would seem that attention is being given to balancing the total amount of wages charged to job numbers with the total of the wages actually paid. Under present conditions an exact balance is, of course, not obtainable, but the differences do not as a rule exceed $30 for a pay roll period.

The reports of time received from either the foremen or the time-keeper are not made out with sufficient care, as we have found numerous instances where men were reported to be engaged on work for a full day, while the time-keeper's records show that the man only worked a fraction of a day, while on the other hand men were reported by the foreman as only having worked a part of a day, while the time-keeper's report showed that they had been at work for the entire day.

The cost system as it now stands, theoretically affords a good check over the wages paid and materials and supplies used in the works, but unless accurate time reports are received from the foremen and physical inventories are periodically taken of the materials and supplies on hand, no actual security is afforded by the system. The cost records furnish complete information in regard to the cost of the various vessels constructed at Sorel. As, for example, the construction of a ten-yard Dipper dredge which is now in progress is divided up into sixty-two sub-accounts, so that the cost of the component parts of the vessel can readily be obtained. This information, however, does not appear to be used in any way, either for the purpose of preparing estimates for the construction of similar dredges or for investigation into the cost of any part which appears excessive.

No private ship building company could afford to start the construction of a vessel without first preparing an estimate as to the cost of the different parts and the total cost of construction, and it seems to us that if only from the point of view of efficiency of operation, a similar practice should be followed at Sorel.

During the course of our examination we have furnished various data as to the cost of vessels and materials manufactured by the yard to the investigators employed by you to report upon the physical conditions. We have not, therefore, considered it necessary in this report to go into any great detail on the question of costs, but should you desire further information in regard thereto, we shall be glad to obtain it for you. We would refer you to the appended comparative statement of construction and other expenditure for the five years ending March 31, 1911, which we have prepared from the annual reports (Exhibit 4). This statement shows the total cost

of the vessels constructed in these years, but our examination of the records has not been of sufficiently exhaustive a character to enable us to say whether the costs shown therein are correctly stated.

In arriving at the cost of construction, no provision has been made for depreciation of the plant and equipment which we would consider necessary in order to arrive at the true cost of construction; further we would point out that no fire insurance is carried for the plant and no expenses incurrred for liability insurance. All of these conditions would place the Sorel yard at some slight advantage in regard to the cost of construction as compared with private yards, provided the labour con ditions and material cost were equal.

GENERAL ORGANIZATION.

We submit herewith a statement showing those employed in the administrative and clerical departments, with the salaries paid to each (Exhibit 5).

In view of the fact that our investigation has not included an examination of the books which relate to the Sorel yard, which are kept by the Marine and Fisheries Department, nor an inquiry into the methods of supervision which that department exercises over the operations of the shipyard, we are not at present in a position to make any recommendation as to the general plan of organization.

It would seem to us that the original plan of the accounting system contemplated that the Director would be responsible for the practical operation of the plant, while the chief accountant would be responsible for the correctness of the books and records and the reports forwarded to Ottawa. As matters now stand, however, the accountant has no real authority over the departments which are supposed to report to him. As, for example, the time-keeper's department takes entire charge of the preparation of pay rolls, and the accountant's signature is only affixed as a matter of form; and the cost and store departments, which should be directly under the supervision of the chief accountant, so far as records are concerned, carry out their work as entirely separate units.

Such a condition of affairs can hardly be expected to give good results, and we cannot too strongly urge the necessity of a re-arrangement of the duties of the clerical departments which would give the accountant direct authority over the work for which he should be responsible.

The principle upon which the general accounting system is based is that all accounts of receipts and disbursements are closed out at the end of the fiscal year without consideration being given to the balances of materials and other assets on hand. Stock records are kept by the store-keeper, which are intended to show the quantities of the different materials and supplies on hand and the value of these stores should be carried in an account on the general ledger and any accounts receivable due to the shipyard should be shown in the same way. A stores account is opened each year in the general ledger, which is charged with the purchases and credited with the issues as they are reported during the year, but at the end of the fiscal year the balance is closed to an account entitled 'Marine and Fisheries Department.' It is possible, of course, that the department carrries forward such balances on its books, but even if this is so they should be carried in some way on the books at Sorel, as otherwise the accountant is not in a position to check up the records of the store-keepers and accounts receivable carried forward are apt to be overlooked.

As mentioned at the commencement of this report, our investigation has been of a preliminary nature only, with the object of reporting to you in a general way upon the conditions as they now exist at Sorel. It is possible that there may be several points upon which you may wish further information, and we shall be glad to extend our investigation into the past transactions as you consider necessary.

We have to acknowledge the courtesy and assistance afforded us by the officials and employees at the plant during the course of our investigation.

Respectfully submitted,

PRICE, WATERHOUSE & CO.

EXHIBIT 1.

MEMORANDUM showing Number of Men allowed Full Day's Time whereas Time Cards show they were only entitled to Three Quarter's of a Day.

Date.	Card No.	Department.	Time as per card.
1911.			
Apr. 11	722	Yard	Left.....3.11 p.m.
" 28	526	Electrician	Arrived...2.24 "
Feb. 5	757	Yard	" ..9.10 a.m.
" 12	850	Boilermaker	" ..9.00 "
" 9	718	Yard	Left..... 3.00 p.m.
" 9	722	"	" ... 3.00 "
" 9	728	"	" .....3.00 "
" 9	733	"	" .....3.57 "
" 9	602	"	" .....3.00 "
" 9	603	"	" .....3.00 "
" 9	604	"	" .... 3.00 "
" 9	620	"	" .....3.54 "
" 9	629	"	" .... 3.00 "
" 9	636	"	" .....3.58 "
" 9	643	"	" .....3.58 "
" 1	1188	Boiler shop	" .....3.31 "
" 2	1188	"	" ....3.29 "
" 3	1188	"	" .....3.28 "
" 4	1188	"	" .....3.29 "
" 6	1188	"	" .....3.29 "
" 7	1188	"	" .... 4.20 "
" 8	1188	"	" .....3.29 "
" 15	310	Paint shop	Arrived..10.00 a.m.
" 15	315	"	" 10.60 "
" 9	683	Yard	Left.... 3.00 p.m
1912.			
Feb. 28	719	Yard	Arrived...9.18 a.m.
" 17	847	Machine shop	" ..9.00 "
" 16	1187	Boiler shop	" ..9.21 "
" 19	1470	"	" ..8.00 "
" 21	1553	Pipe shop	" ..9.24 "
" 19	719	Yard	Left.. ...9.18 "
" 19	847	"	Arrived...9.00 "

NOTE.—Work starts 7 a.m. Lunch hour 12 a.m. to 1 p.m. Closing hour 5 p.m. or 6 p.m.

EXHIBIT 1A.

MEMORANDUM showing the Time-Clock Cards not Punched and for which Time was Allowed.

Date.	Card No.	Department.
1910.		
Nov. 14..	535	Electrical.
" 8..	526	"
" 9 .	77	Machine Shop.
" 8..	72	"
" 2..	71	"
" 3..	71	"
" 4..	71	"
" 2..	38	"
" 5..	38	"
" 15..	21	"
" 3..	255	Asbestos Shop.
" 3..	403	Carpenter Shop.
" 10..	616	Yard.
" 10..	627	"
" 2..	653	"
" 3..	1004	Boiler Shop.
" 4..	1531	Pipe Shop.
" 3..	1549	"
" 11..	1549	"
" 11 .	1562	"
1911.		
Apr. 14 .	69	Machine Shop.
" 1..	94	"
" 14 .	112	"
" 14..	141	"
" 10..	277	Paint Shop.
" 7..	482	Carpenter Shop.
" 1 .	504	"
" 5..	504	"
" 2..	505	"
" 5..	505	"
" 1..	506	"
" 3..	506	"
" 5..	506	"
" 8..	507	"
" 3..	508	"
" 5..	508	"
" 15..	527	Electrician.
" 10..	538	"
" 12 .	606	Yard.
" 3..	635	"
" 15..	665	"
" 11..	836	"
" 12..	836	"
" 13..	836	"
" 12..	890	"
" 1..	895	Carpenter Shop.
" 15 .	1161	Boiler Shop.
" 15..	1162	"
" 15 .	1163	"
" 15..	1171	"
" 15..	1176	"
" 15 .	1187	"
" 17..	21	Machine Shop
" 29..	28	"
" 24 .	277	Paint Shop.
" 25..	277	"
" 26..	277	"

Date.	Card No.	Department.
1911.		
Apr. 27..	277	Paint Shop.
" 25..	279	"
" 26..	279	"
" 24..	282	"
" 25.	282	"
" 26..	282	"
" 27..	282	"
" 24..	284	"
" 25..	284	"
" 26..	284	"
" 27..	284	"
" 24..	286	"
" 25..	286	"
" 26..	286	"
" 27..	286	"
" 24.	290	"
" 25..	290	"
" 26.	290	"
" 27 .	290	"
" 29..	290	"
" 25..	293	"
" 26..	293	"
" 27..	293	"
" 25..	295	"
" 26..	295	"
" 27..	295	"
" 29..	295	"
" 25..	297	"
" 26..	297	"
" 27..	297	"
" 25..	299	"
" 26..	299	"
" 27..	299	"
" 27..	306	"
" 17.	325	"
" 25..	325	"
" 26..	325	"
" 27..	325	"
" 19..	419	Carpenter Shop.
" 26..	444	"
" 24..	744	Yard.
" 25..	744	"
" 26..	744	"
" 27..	744	"
" 17..	617	"
" 17..	616	"
" 22..	1502	Boiler Shop.
" 21..	1527	Pipe Shop.
" 27..	1551	Mould Loft.
" 27..	1077	Boiler Shop.
Feb. 7..	458	Carpenter Shop.
" 14..	492	"
" 15..	506	"
" 2..	528	Electrical.
" 14..	32	Machine Shop.
" 1..	48	"
" 10..	60	"
" 15..	94	"
" 12..	115	"

EXHIBIT 1A—*Continued.*

MEMORANDUM showing the Time Clock Cards not punched and for which Time was Allowed—*Continued.*

Date.	Card No.	Department.	Date.	Card No.	Department.
1911.			1911.		
Feb. 8..	144	Machine Shop.	Feb. 6..	1130	Boiler Shop.
" 15..	603	Yard.	" 7..	1113	"
" 14..	639	"	" 14..	1103	"
" 1..	645	"	" 14..	1104	"
" 13..	657	"	" 8..	699	Yard.
" 1..	736	"	" 7..	703	"
" 7..	1413	Boiler Shop.	" 4..	705	"
" 7..	1431	"	" 11..	705	"
" 7..	1447	"	" 1..	845	Boiler Shop.
" 13..	1549	"	" 2..	845	"
" 10..	1558	Mould Loft.	" 3..	845	"
" 7..	1559	"	" 15..	603	Yard.
" 12..	1197	Boiler Shop.	" 2..	623	"
" 6..	1193	"	" 10..	138	Machine Shop.

Numerous other cards of same nature not listed.

EXHIBIT 2.

MEMORANDUM of Errors in the Pay Roll Resulting in Over-payment of Wages.

Errors in recording in the Time-keeper's Book and Reports received from the time-clock punchers:—

Period Covered.	Card No.	Department	Punch Keeper's Report.	Entered in Book as	Time Overpaid.
1912.					
February..	659	Yard.....	1 day absent.....	½ day absent.....	½ day.
" ...	228	Carpenter shop..	1 " "	½ " "	½ "
" ..	139	Machine " ..	½ " "	.....	½ "
" ...	1193	Boiler " ..	1 " "	½ day absent.....	½ "
" ...	531	Paint " ..	¼ " "	¼ " "	¼ "
" ...	472	" " ..	1 " "	¼ " "	¼ "
" ...	1089	Boiler " ..	1 " "	½ " "	½ "
" ...	1183	" " ..	½ " "	¼ " "	¼ "
March 16-31.	719	Yard.	1 " "	½ " "	½ "
" .	1553	Boiler shop.....	¼ " "	.....	¼ "
" .	36	Machine shop...	½ " "	.....	½ "
" .	625	Yard.	Given 1 day overtime; should be ¼ day.. ...	.....	¾ "
" .	1181	Boiler shop	Paid 7½ days.....	7 days	½ "

Errors in the clerical accuracy of the Timekeeper's Book.

Period of Pay Roll.	Card No.	Department.	Total Days Shown in Time Book.	Should Have Been.	Time Overpaid.
1911.					
Feb. 1-15....	1141	Boiler shop....	15	14	1 day.
" 1-15....	1411	" "	8¾	8¼	½ "
Apr. 16-30..	447	Carpenter shop..	12	11½	½ "
" 16-30..	662	Yard.....	12½	12¼	¼ "
" 16-30..	1003	Boiler shop.....	16½	16	½ "
" 16-30..	1425	" " .	12	10	2 "
" 16-30..	1506	Pipe "	10	9½	½ "
Nov. 1-15/10.	728	Yard..	14¾	13¾	1 "
Feb. 1-15/12.	1447	Boiler shop.....	6¾	6¼	½ "
" 1-15/12.	847	" " ...	11½	11	½ "
" 1-15/12.	1491	" "	9	8½	½ "
Mar. 16-31/12	1181	" " ...	7½	7	½ "
" 16-31/12	464	Carpenter shop..	11½	11¼	¼ "
" 16-31/12	7	Machine shop..	9	8½	½ "

EXHIBIT 3.

FURTHER DETAIL AS TO THE EXISTING ACCOUNTING SYSTEM.

Ordering of Goods.

With the exception of small purchases which are made locally, materials and supplies are purchased by the Marine and Fisheries Department.

The requisitions for materials required are made out by the store-keeper in duplicate, the original being sent to the Director's office and the carbon retained in the store-keeper's files. It is claimed that before requisitions are made out the stock on hand of the article to be ordered is compared with the balance appearing in the stock ledger, but this practice does not appear to be carried out in any systematic manner.

The requisitions received by the Director from the store-keeper are typed in triplicate, the original being signed by the Director and forwarded to Ottawa. A copy is retained by the Director's office and a copy is sent to the store-keeper.

The Marine and Fisheries Department orders the goods and forwards a copy of the order to the Director. On its receipt the Director's office makes three copies of the order one of which is sent to the 'checker' (the employee who certifies as to the receipt of the goods) and one to the store-keeper.

Certification of Invoices and Receipt of Goods.

Four copies of purchase invoices are received which are first forwarded to the 'checker' for certification.

The 'checker' enters all goods in his goods received book as they are delivered, making notes as to their condition and whether they are to be returned. He retains the invoices until all the goods covered by the invoice have been received and stamps each invoice with a rubber stamp as follows:—'I certify that the above goods have been received in good order and are satisfactory.' The 'checker' retains one copy of each invoice for his files and passes the three remaining copies to the store-keeper. The store-keeper checks the prices shown on the invoices against the copies of the order received from Ottawa, and verifies the clerical accuracy of the extensions, after which he enters the quantities and prices in the store ledger.

Three copies of the invoices are sent from the store-keeper to the Director who approves and signs them.

After receiving the Director's approval the invoices are handed to the accounting department, where the extensions and footings are again checked. One copy of the invoice is retained in the accounting department and the two remaining copies are forwarded to Ottawa. Before the invoices are sent to Ottawa they are entered in a book, kept in ledger form, under the head of each firm or company from whom the goods are purchased, and when Ottawa sends advice as to the payment of the invoice they are marked off as paid in this book.

Reports to Ottawa.

A duplicate list of approved vouchers signed by the Director and accountant, together with duplicate copies of the approved invoices, is forwarded weekly to Ottawa for payment.

The duplicate list of invoices forwarded to Ottawa is later returned to Sorel, together with advice of payment of each invoice. Sometimes, however, the cheques are sent down to the Director for distribution.

On the return of the invoices the accountant's department writes up a voucher folder showing the distribution of the payments. The advices of payments are attached to these voucher folders, while the invoices themselves are separately filed. The voucher folders are numbered numerically and entered in the voucher record where the charges are distributed.

Local Purchases.

Purchases made locally are authorized by Mr. Papineau and the invoices are forwarded to Ottawa for approval. These local purchases are small.

Stores.

Stores are kept for the use of both the fleet and the shops and are in charge of Mr. H. C. Chamberland, who was recently appointed. He is assisted by twelve storemen and two clerks.

Goods are only issued from stores on requisition, which we understand require the signature of a foreman, captain or engineer of the fleet.

Store ledgers are now kept in quantities only, although formerly they were kept in both quantities and values. There are four large loose leaf ledgers containing about 6,900 accounts. The ledgers in use at present are somewhat cumbersome in design, but a new ledger has been approved by Ottawa and is to be installed when the inventory now being taken is completed. The ledgers are posted from the invoices and the requisitions for supplies. The prices are entered on the requisitions and they are sent to the Cost Department to be extended.

Fleet Pay Roll.

In January of each year a circular is sent out to the men employed in the previous year who have a good record.

The engagement of men is in charge of Mr. Blais, who assigns them to their positions on the boats.

While on the boats the time of the men is reported to Mr. Blais by the engineer on regular time sheet forms, the rule being that time sheets must be forwarded on the last day of the month.

The engineers reports of time are entered in time books which are kept in Mr. Blais' office, where the rates of pay are filled in and the amounts of the wages extended.

The pay lists are made up in triplicate from the time books and are certified to by Mr. Forneret, superintendent of the fleet. The payment is made by the general paymaster and is witnessed by the captain of the boat or some other officer. Wages are paid in cash.

EXHIBIT 4.

COMPARATIVE STATEMENT of Construction Expenditures for the Five Years ending March 31, 1911, as shown by the Annual Statement.

——	1907.	1908.	1909.	1910.	1911.	Total for Five Years.	Appropriations or Credits.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Operating dredging fleet	362,677 37	522,682 84	537,638 79	559,438 48	611,394 19	2,533,831 67	
Dredging Montreal harbour				45,681 94		45,681 94	
Construction for dredging fleet	23,114 55	34,406 57	47,691 03	28,620 68	58,269 68	192,102 51	
Improvements for Sorel shipyard	41,336 26	69,169 94	42,758 72	33,356 99	45,421 96	232,043 87	
Stores and materials	16,162 45	31,290 09	79,234 04	22,925 26	37,361 67	112,250 17	
	383,299 63	657,549 44	707,322 58	690,023 35	677,724 16	3,115,910 16	3,420,531 28
IMPROVEMENTS TO DREDGING PLANT.							
Dredge for Cap a La Roche	3,351 86	96,631 97	73,673 04	85,310 66	27,596 52	286,564 05	261,451 18
Elevator dredge			75 54	9,244 27	92,829 09	102,148 90	73,499 38
Stone lifter			10,797 93	34,506 29		45,304 22	45,304 22
Twin screw wooden tug			5,970 10	31,054 21	29,095 77	66,120 08	56,397 40
Coal barge				826 50	38,661 72	39,488 22	12,587 85
Steel dump scow				7 05		7 05	7 05
Dipper dredge			40,768 70	43,354 18	132,338 74	216,461 62	184,185 04
Seagoing hopper dredge	174,418 65	141,418 47				315,837 12	250,000 00
Rock breaker					27,397 26	27,397 26	27,397 26
Steel tug					2,081 97	2,081 97	482 83
	177,770 51	238,050 44	131,225 31	204,303 16	350,001 07	1,101,350 49	911,312 21
Improvement and repairs to other departments of Government	117,742 43	148,827 55	281,471 65	233,880 68	109,662 65	891,584 96	791,696 26
Salaries at Ottawa		5,431 98	9,856 44	3,925 00		19,213 42	
Miscellaneous sales—Refunds							4,519 28
	$ 678,803 57	$ 1,049,859 41	$ 1,129,875 98	$ 1,132,132 19	$ 1,137,387 88	$ 5,128,059 03	$ 5,128,059 03

EXHIBIT 5.

STATEMENT of General and Administrative Salaries as at March 31, 1912.

GENERAL STAFF.

L. G. Papineau	Director	$ 3,000 00	per annum.
H. A. Terreault	Assistant director	2,100 00	" "
L. Lacouture	Accountant	1,800 00	" "
F. A. Cote	Chief electrician	1,700 00	" "

OFFICE STAFF.

A. Lussier	Time-keeper	$ 1,200 00	per annum.
H. Emery	Assistant to director	1,200 00	" "
J. Peloquin	Director's typist	540 00	" "
O. Cardin	Assistant accountant	720 00	" "
P. Boucher	Assistant time-keeper	1 75	" diem.
A. Desautels	Messenger	0 60	" "

COST DEPARTMENT.

J. U. Latraverse	Chief clerk	$ 1,020 00	per annum.
H. Yiergeau	Clerk	1,020 00	" "
J. E. Rajotte	"	720 00	" "
J. A. Prudhomme	"	540 00	" "
J. Lanciault	"	480 00	" "
H. Champdelaine	"	480 00	" "

STORES.

H. Chamberland	Store-keeper	$ 1,020 00	per annum.
R. Mayer	Receiving clerk	960 00	" "
C. A. Pelletier	Clerk	960 00	" "
T. Boudereau	"	660 00	" "
L. E. Foy	"	660 00	" "
D. Plamondon	"	396 00	" "
P. Vandal	"	2 15	per diem.
A. Paulhus	"	1 60	" "
A. Parenteau	"	1 60	" "
R. Forcier	"	1 40	" "
R. Lavallee	"	1 40	" "
L. Peloquin	"	1 40	" "

DRAUGHTSMEN.

J. P. Hereux	Chief draughtsman	$ 1,500 00	per annum.

Assisted by ten draughtsmen whose salaries range from $80 to $115 per month.

SUB-REPORT RE SOREL SHIP YARD---No. 3.

BY MESSRS. PRICE, WATERHOUSE & CO.

MONTREAL, May 28, 1912.

Public Service Commission, Ottawa.

GENTLEMEN,—We herewith submit the following report covering some further work done in connection with our investigation of the accounts of the shipyard:—

ACTS OF PARLIAMENT AND ORDERS IN COUNCIL RELATING TO CONSTITUTION OF SHIPYARD.

We have obtained the following information from the files of the Marine and Fisheries Department regarding the transfer of the control of the plant from the Departments of Public Works and of Railways and Canals:—

(*a*) Act 3 Edward VII, Chap. 53, October 24, 1903. (Exhibit 1). This Act gives the Governor in Council power to transfer the management of any public work, &c., from one department to another.

(*b*) Act 55-56 Victoria, Chap. 17, April 12, 1892. (Exhibit 2). This Act creates the Department of Marine and Fisheries.

(*c*) Abstract from Report of the Committee of the Honourable the Privy Council approved March 11, 1904. (Exhibit 3). This recommends the transfer of the control of the Shipyard and St. Lawrence Ship Channel operations to the Department of Marine and Fisheries.

(*d*) Orders in Council dated May 13, 1910. (Exhibit 4). The Order relates to the appointment of the present Director.

REAL ESTATE.

We have made further enquiry regarding the ownership of the property in which the yard is located. We have been unable to obtain definite information either as regards the ownership of the real estate or the leases; neither the deeds nor leases appear to be on file at the Marine and Fisheries Department.

From a perusal of the correspondence on file (No. 25821) it would appear that the ownership of part of the real estate is in doubt. It is important that definite information be obtained on this subject more particularly if further sums are to be invested in permanent structures at the yard.

With regard to rents paid it would appear that in addition to the $1,200 paid to the McCarthy Estate for the rent of a portion of the yard proper, a sum of $700 is paid annually for the use of a wharf on the opposite side of the river which is used for coaling purposes. It would appear that the purchase of this property has been recommended by the Director (letters September 1, 1909, and March 6, 1912, from Mr. Papineau). The correspondence indicates that the wharf requires a considerable amount of repair. It appears that this wharf was rented by the Director and not the Department.

RELATIONSHIP TO THE ACCOUNTING DIVISION OF THE MARINE AND FISHERIES DEPARTMENT.

So far as we can ascertain no responsibility is taken by the Accountant of the Marine and Fisheries Department in Ottawa for the costs of the operations at the yard nor for the accounting methods in force. A statement of the actual cash disbursed last year, made by the Auditor General and the Accountant in Ottawa, shows that all charges were taken up by Sorel, but no values representing the investment in inventories or plant appear to be carried on the books in Ottawa.

PURCHASING METHODS.

The Purchasing Agent in Ottawa states that he makes his purchases under Act 55-56, Chap. 17, sec. 3.

Tenders are advertised for material and supplies except in case of pressing emergency orders in which delay would be injurious, or where, from the nature of the work, the orders can be more expeditiously and economically executed by the officers of the Department.

The Act referred to above does not specify inspection requirements and we are informed that the inspection of the material supplied to the yard is carried out under the direction of the Director. It is stated that usually before a purchase is made a report of quantities on hand and a full statement of requirements are called for by Ottawa.

We have not made any examination of the tenders and requisitions in Ottawa.

INVENTORY.

On the 2nd instant we attended at Sorel with a view to assisting in the completion of the inventory. The inventory which was completed on the 14th instant may be summarized as follows:—

General stores	$ 44,175 31
Valve store	14,440 90
Metal store	2,008 73
Shed No. 7, miscellaneous material	9,176 78
" 11, bolts, nuts, rivets, nails, &c	5,205 40
" 12, rivets	7,693 40
" 13, manilla rope, fleet furniture and oil	3,316 74
" 15, lead pipes and sheet lead	819 09
" 22, iron and steel castings	14,984 18
Iron pipe	4,954 77
Bar iron, machine steel and cast steel	23,214 74
Pneumatic tools	8,331 26
Electrical supplies	6,621 21
Brass and copper castings	10,873 47
Iron, steel and manganese castings	43,268 74
Tool steel	753 16
Structural steel	21,890 00
Scrap	2,421 11
Coal	3,491 53
Logs	6,306 50
Logs	11,349 19
Sawn lumber	47,902 97
Steel shafts and tubes (shed No. 22)	3,520 15
Chains (shed No. 22)	3,138 98
Broken stone and sand	869 26
Asbestos	1,802 44
Cement	563 81
Electrical supplies	39 00
	$303,132 82

Owing to the adverse conditions under which the inventory was taken no great reliance can be placed on the figures herewith submitted.

The taking of the inventory was left to Mr. Chamberland who has only occupied the position of Storekeeper since January 22nd last and he was assisted by several of the staff who had little experience in the inventory taking.

The inventory was taken at varying dates between the 14th of March and the 11th of May and only in a few cases was it possible to adjust the quantities as taken to those which were on hand at the end of the fiscal year, March 31, 1912. This was largely due to the fact that the stock ledgers were found to be incomplete, badly arranged and in a most unsatisfactory condition generally. As has already been pointed out only a few of the stock ledger accounts were footed and little attention appears to have been given in the past to the important matter of making regular comparison between the balances of quantities on hand as shown by the ledger and the actual quantities of goods in the bins.

Our representative made an attempt to check the supplies as stated in the ledgers with the supplies as shown in the inventory. Owing, however, to the condition of the ledgers and the lack of arrangement in keeping the account it was found impossible to make even a comparison by commodities. The check which was made however sufficed to show that there was a number of articles carried on the stock ledgers which could not be traced in the inventory; this is no doubt largely due to requisitions having been mislaid and consequently not credited, or articles having been removed without report to the office.

We attempted to prepare a statement showing comparison between a year's issues and the amount of stock on hand. It was found, however, that such comparison would take a long time; but from the work done it is clear that in some cases there are sufficient goods on hand to meet the requirements of several years.

It is claimed that the large quantity of material carried is due to the fact that purchases made some years ago have not been utilized in recent construction work.

With regard to the valuation which is placed on the inventory, it is claimed that it is the invoice cost of the goods delivered at the works, and that it is not practicable at the present time to make an adjustment to bring the inventory to current market values.

With regard to the matter of obsolete and dead stock, the Director informs us that in some cases proper provision has been made, but there can be little doubt that considerable adjustment will be necessary to bring some of the articles to their actual present worth from an operating standpoint.

Whilst the inventory cannot be accepted as a correct valuation of the stores and supplies on hand on the 31st of March, 1912, nevertheless it should serve as a guide to the management and assist in determining whether or not the quantities of any particular class of goods carried are too large.

We would direct your attention to the importance of having a physical inventory taken at least once a year, of both supplies and work in process of construction. It is also of the utmost importance that the stock books be rearranged and subdivided according to the various classes of supplies. In this connection it will be necessary to engage the services of at least one store clerk whose duties should be to agree certain numbers of the quantities as shown by the ledger with the quantities actually on hand each day, so that in the course of a few months the balances as shown by the stock book will have been revised in accordance with the actual conditions. If such a plan were properly carried out the matter of taking a physical inventory at any given date should not prove a difficult task as is now the case.

It would appear to us that statements of manufacturing and cost generally should be rendered to the Accountant in Ottawa monthly, together with a report of the value of materials and supplies on hand and a comparative statement of direct and indirect labour.

The annual statements of account as issued are in a confused form and should be revised.

ORGANIZATION.

It would seem desirable that the management of the yard should be in closer relationship with the Department of Marine and Fisheries, and that it should not be left largely in the hands of the Director as it appears to be at present. It would also appear to us desirable to establish a closer sense of relationship and sense of interdependency between the various local officials. In this connection we would recommend that the Director or Superintendent be made directly responsible to the operating officials of the Marine and Fisheries Department, and that the Accountant at Sorel be directly responsible to the Chief Accountant of the Marine and Fisheries Department.

We would also suggest for your consideration the advisability of establishing a local board of control or management which should meet at least once a week and discuss estimates and current requirements in matters of management in general. Copies of the minutes of the meetings should be forwarded to the Department of Marine and Fisheries so that the Department may at all times keep in close touch with local conditions. This committee or board should be composed of the Superintendent, Assistant Superintendent, Accountant and the Storekeeper, and the Dredging Superintendent might also be included.

The statements of cost should be so arranged that they would show clearly the true cost of construction or maintenance, so, if thought desirable tenders could be called for from outside firms and comparisons as to the yard cost and outside cost made.

A study of existing conditions and methods makes it clear that adherence to precedent and lack of individual incentive has brought about conditions such as no private business concern or corporation could follow without a certainty of loss if not financial disaster.

We append hereto various Exhibits dealing with the Acts of Parliament and Orders in Privy Council referred to in this report, and shall be glad to furnish you with any further information desired.

Respectfully submitted,

PRICE, WATERHOUSE & CO.

EXHIBIT No. 1.

EDWARD VII, CHAP. 53.

AN ACT RESPECTING THE MANAGEMENT AND CONTROL OF PUBLIC AND OTHER WORKS.

OCTOBER 24, 1903.

His Majesty by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

(1) The Governor in Council may at any time transfer the management, charge and direction of any public work, or any power, duty or function with respect to any work or class of work, whether public or private, which is assigned to, or vested by Statute in any Minister or Department, to any other Minister or Department; and from the date appointed for the purpose by the Governor in Council such power, duty or function shall be transferred to and vested in such other Minister or Department; and the provisions of the Public Works Act, so far as they are applicable, shall apply to any work or property the maintenance, repair, control or management of which is transferred under the Act.

EXHIBIT No. 2.

55-56 VICTORIA, CHAP. 17.

AN ACT RESPECTING THE DEPARTMENT OF MARINE AND FISHERIES.

Assented to 12th April, 1892.

(1) Department to be called 'Department of Marine and Fisheries,' Minister to have the management and direction of said Department.

(2) The Governor in Council may appoint an officer who shall be called the Deputy Minister of Marine and Fisheries and who shall be the deputy head of the Department of Marine and Fisheries, and the Governor in Council may also appoint

such other officers as are necessary for the proper conduct of the business of the said Department, all of whom shall hold office during pleasure.

(3) The Minister shall invite tenders by public advertisement for the execution of all works except in cases of pressing emergency in which delay would be injurious to the public interest or where, from the nature of the work it can be more expeditiously and economically executed by the officers and servants of the Department, and the said Minister shall also in like manner invite tenders for all contracts for supplies.

EXHIBIT No. 3.

EXTRACT FROM A REPORT OF THE COMMITTEE OF THE HONOURABLE THE PRIVY COUNCIL APPROVED BY THE GOVERNOR GENERAL ON THE 11TH MARCH, 1904.

On a report dated 7th February, 1904, from the Right Honourable the President of the Privy Council, submitting that an Act passed at the last session of Parliament, respecting the management and control of Public and other works (3 Edward VII, Chap. 53) provides for the transfer by the Governor in Council of the management, charge and direction of any public works, or any power, duty or function with respect to any work or class of works, whether public or private, which is assigned to or vested by Statute in any Minister or Department, to any other Minister or Department.

The Minister recommends as follows:—

(1) With a view to systematizing and facilitating the work in connection with Hydrographic Surveys, the administration of which branch of the public service is assigned to the Department of Marine and Fisheries under the provisions of 55-56 Vic., Chap. 17, and the work whereof has been continuously performed by that Department for many years past, that all the Hydrographic work of the Department of Public Works and of Railways and Canals be transferred to the Department of Marine and Fisheries.

The Honourable the Minister of Marine and Fisheries and that Department alone be charged in future with the management and control of such surveys.

(2) That from and after the first of July next (1904) the management and control of the St. Lawrence Ship Channel together with the dredging and sweeping plant steamers and all other appliances now used by the Department of Public Works in connection with that work be transferred to the Department of Marine and Fisheries so as to place the supervision of the improvements to navigation on the St. Lawrence route under the jurisdiction of the Department which is directly responsible for the aids to navigation on that route.

(3) That all the duties, powers and functions with respect to any work or class of works conferred upon the Minister of Public Works by any of the Acts relating to Harbour Commissioners be transferred to and hereafter exercised by the Minister of Marine and Fisheries.

(4) That any records and plans in the possession of the Department of Public Works or of Railways and Canals which refer to any of the above mentioned works and which may be required by the Department of Marine and Fisheries for its information and guidance upon assuming control of the said works be transferred to the last named Department upon its making application.

(5) That all moneys voted by Parliament to either the Department of Public Works or that of Railways and Canals for the purpose of carrying out any of the works under the control of either Department and now transferred to the Department of Marine and Fisheries be placed to the credit of the last named Department.

(6) That the changes as recommended above take effect from this date except as hereinabove otherwise provided.

The Committee submit the same for approval.

J. J. McGEE,

Clerk of the Privy Council.

EXHIBIT No. 4.

CERTIFIED EXTRACT FROM THE MINUTES OF A MEETING OF THE TREASURY BOARD HELD ON THE 7TH MAY, 1910, APPROVED BY HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL ON THE 13TH MAY, 1910.

Marine and Fisheries.

The Board recommend that Mr. L. G. Papineau be appointed Director of the Government Shipyard at Sorel, to fill the vacancy caused by the transfer of Mr. G. J. Desbarats, with salary at the rate of $3,000 per annum from the 1st of April, 1910, payable out of the Parliamentary Appropriation 'River St. Lawrence Ship Channel.'

F. K. BENNETTS,

Asst. Clerk of the Privy Council.

SUB-REPORT

RE

MONTREAL HARBOUR COMMISSIONERS

MARINE AND FISHERIES DEPARTMENT

REPORT TO PUBLIC SERVICE COMMISSION BY MESSRS. PRICE, WATERHOUSE & CO.

MONTREAL, April 29, 1912.

To the Public Service Commission, Ottawa:

GENTLEMEN,—On February 16th last, we had the honour to receive instructions from your Commission to investigate the transactions of the Harbour Commissioners of Montreal. Our investigation has been conducted along the lines indicated by your verbal instructions and correspondence, the object and scope of which may be summarized as follows:—

To audit the transactions of the Harbour Commissioners for the five years ending December 31, 1911, and report thereon.

To prepare such statements of account and statistics as would place before your Commission the nature and volume of the business.

To enquire into the business methods in the several departments for the purpose of suggesting improvements which would result in greater efficiency and economy in operation; and to submit a report dealing with the administrative problem before the Commissioners, the organization and equipment provided for carrying out the work of the Commissioners and the methods and procedure employed by those in charge thereof.

INTRODUCTORY.

The Harbour Commission of Montreal is a corporate body constituted by Act of Parliament. The Commissioners are appointed by the Governor in Council upon the recommendation of the Minister of Marine and Fisheries. The powers and duties of the Commissioners are set forth in the Montreal Harbour Commissioners Act, 1894 (57-58 Victoria, Chap. 48, and Edward VII., Chap. 33). They receive remuneration for their services out of the revenue of the harbour, as the Governor in Council determines. The following are the names of the present Commissioners, who have held office during the past five years: Major George W. Stephens, President, and Messrs. L. E. Geoffrion and C. C. Ballantyne.

The Corporation has jurisdiction within the limits of the Port of Montreal, which, as defined by the Act, extend along the river front on both banks for about seventeen miles, but do not include the St. Lawrence Ship Channel which is under the direct control of the Department of Marine and Fisheries. The Commissioners in their capacity as trustees for the Government, hold the harbour lands and areas which consist of about 200 acres of frontage and 12,000 acres of river area.

Under Section 18 of the Harbour Commissioners Act, the Corporation appoints the Harbour Master and such other officers as it deems necessary, and allows them such compensation or salaries as the Commissioners determine from time to time. The Harbour Master, Deputy Harbour Master, and the Secretary, are the only officers referred to specifically in the Act.

The Harbour Commissioners have power to make by-laws regarding the shipping and traffic rates, which must be confirmed by the Governor in Council and be published in the *Canada Gazette* before they become effective.

The revenue of the port is derived from wharfages on freight inwards and outwards and from rentals of pier sheds and other harbour facilities.

The Commissioners are required to submit an account annually to the Governor

in Council, through the Department of Marine and Fisheries, in such manner and form as he sees fit to direct, the Act requiring the charges against revenue to be made in the following order:—

(*a*) Expense incurred in the collection of revenue.

(*b*) Expense attendant on keeping the harbour clean and on keeping the wharves and other works in a state of thorough repair.

(*c*) Payment of interest due on money borrowed.

(*d*) The repayment of the principal of such sums.

AUDIT OF PAST TRANSACTIONS.

Before dealing with our examination of the cash transactions, pay rolls, and the purchase and distribution of materials, supplies, &c., it may perhaps assist to a clearer understanding of the business and methods of the Commission if we first give some brief description of the receipts and disbursements entering into the accounts of the past five years.

We would refer you to the summarized statement of Revenue and Expenditures by years (Exhibits 2, 3 and 4), which are supported by various subsidiary exhibits of the income and expenditures of the different departments. The following is a summary of the total transactions for the five years under examination:

Gross revenue—		
Wharfage Dues, Rentals of spaces, etc.		$2,084,837 15
Elevators, Harbour Railway, Steel Sheds, etc.		1,352,841 70
		$3,437,678 85
Deduct—		
Expenses of Operating and Maintenance	$1,054,799 67	
Administrative and other expenses	311,194 00	
Adjustment of book inventories, the greater proportion of this loss being apparently chargeable against operations prior to year 1907	55,296 34	
		$1,421,290 01
Net operating Revenue		$2,016,388 84

The interest charges during the same period have amounted to $2,086,172.95, from which must be deducted the interest on the cost of improvements, etc., during the period of construction which has been charged to capital account, leaving a net interest charge of $1,675,771.75.

In considering the interest charges, we would mention that a proportion of that charged to the cost of construction, amounting to approximately $145,000, should properly be credited to the operations of the period prior to the investigation. On the other hand, however, it would appear that the Commissioners are entitled to a further credit on account of interest on construction now in progress, the amount of which cannot be determined at present. On reference to the statement of revenue which we submit (Exhibit 3) you will note that in the year 1909 an amount of $228,000 was charged to the cost of steel sheds and credited to revenue as representing interest during the period of construction of the sheds. It would appear that this amount includes a charge of $55,401.20 already made in the year 1907, and the surplus shown should accordingly be reduced by this amount.

It has not been the practice of the Commissioners to provide for accruing depreciation and renewals or to charge revenue with any sinking fund provision for the repayment of outstanding indebtedness. It will be evident, therefore, that the surplus account is subject to considerable adjustment in this respect.

The gross revenue for the year 1911 shows an increase of 86·5 per cent, as compared with that of the year 1907, the greater portion of this being due to the additional revenues received from elevators, harbour sheds, &c.

REVENUE.

Wharfage Dues.

These may be classified as transatlantic and maritime tonnage dues which are collected by the Customs Department, and those derived from local shipments which are collected by the Paymaster.

Particulars of the tariffs of wharfage rates will be found in a printed circular issued by the Commissioners, the Commissioners being empowered, subject to the approval of the Governor in Council, to fix and revise the tariff on the various commodities from time to time as they see fit. (57-58 Victoria, Chapter 48, Section 28).

The dues in connection with the transatlantic and maritime wharfages are collected by the Customs Department in accordance with Section 33 of the Act above referred to.

The Commissioners employ two inspectors of wharfages who have office accommodation at the Customs Department whose duties are to check the inwards declaration tickets with the bills of lading and in the case of outward wharfages with the ship's manifest and to assess the dues payable.

The Customs Department make payment of wharfages by cheque to the Secretary-Treasurer on the 15th and 30th of each month, the amounts being verified by comparison with the independent register kept by the wharfage inspectors. We submit (Exhibit 26) a statement of tonnage, inwards and outwards, classified according to tariff rates and showing the tonnage on which dues have been collected during the past five years. The maritime and transatlantic dues show an increase of 8·3 per cent in the five years, while the revenue on the tonnage, shows an increase of 11·3 per cent during the same period. The checks surrounding the collection of revenue by the Customs Department appear to be good in that the Customs Department make all collections, the wharfage rates being determined by the clerks of the Harbour Commissioners. We would suggest, however, that the wharfage tickets should be forwarded to the accounting department for audit.

The Customs Department does not receive any remuneration for the work done for the Commissioners, but gratuities have been given to the various employees connected with these collections of revenue each year at Christmas time.

Local wharfage dues are collected by the paymaster who also acts as wharfinger. A comparative statement of the revenues collected will be found in Exhibit 11, the number of local vessels and tonnage and particulars as to this revenue by commodities being also set forth in this and the four following exhibits.

Dues are charged on some of the materials used by the Commissioners in construction and other work. In order that better statistical information may be obtainable, we would suggest that dues on material for the use of the Harbour Commissioners should be kept in a separate account.

Rental of Spaces, Lands, Sheds, &c.

Collections on this account are made by the Secretary-Treasurer's Department, bills being made out as the accounts fall due, but no entry is made in the accounting books until the accounts are paid when the cash is credited direct to the revenue account. A rough memorandum book is kept in which are recorded particulars of some of the bills which are sent out, the bills being made in duplicate. This system is unsatisfactory, as there is little means of maintaining any real check on the collections. Records should be kept containing full particulars of the rentals of

spaces, sheds, &c., and as these rentals fall due they should be charged in a register provided with columns for the various classes of revenue, the total of which should be credited monthly to the revenue accounts.

This remark will also apply to all revenue derived from other sources, such as elevators, cranes, traffic department, &c.

EXPENDITURES.

Repairs and Maintenance.

It will be seen that there has been very little variation in these expenditures during the years under examination. It would not be unreasonable to expect that the repairs would show a tendency to increase in proportion to the revenue, and it is possible that there may be accruing repairs for which provision should have been made against the revenue of the past few years.

Operating.

These expenses represent the direct charges against the revenues of the various departments and consist principally of labour and supplies.

Miscellaneous.

We have grouped under this heading certain miscellaneous charges.

Administrative and Collection.

It will be seen that the total charged to this account shows little variation during the period.

The charges under the heading 'Harbour Expenses' were considerably higher in the first two years, which was mainly due to expenses incurred by the officials in visiting several of the principal ports with a view to recommending improvements at Montreal.

In connection with 'Harbour Expenses' we have made a detailed analysis and generally speaking this account is made up of petty items and also entertaining expenses which have averaged about $1,300 per annum. It also includes the cost of painting and renovating the harbour offices, amounting to $2,352.90.

Interest Charges.

We have shown interest paid on debentures separately from interest on bank overdrafts. Interest on bank overdrafts has averaged about $4,600 per annum.

PURCHASING METHODS.

Generally speaking estimates of material required for construction or maintenance work are approved by the Commissioners and the materials are called for by requisitions of the various departmental superintendents.

These requirements are met either by advertised tender and contract or in the case of the smaller commodities by the Purchasing Agent as described later.

We submit herewith a comparative statement by years showing the values of the principal commodities purchased (Exhibit 17). This statement is necessarily condensed as it is impracticable to give any elaborate analysis.

With regard to the purchases for the construction of Elevator No. 2, which is at present in course of erection, the contractors, Messrs. J. S. Metcalf & Co., make out specifications of the requirements, and requisition the Engineer for the necessary supplies. In the case of the more important purchases calls for tenders are made by

the contractors. These tenders are received by the Secretary-Treasurer and submitted to the Commissioners and they are then forwarded to the contractors, who report back to the Commissioners with their recommendation as to which should be accepted.

Purchases by Tender.

The system of purchasing by tender, except in the case of Elevator No. 2, is briefly as follows:—estimates of quantities of supplies required are submitted to the Commissioners who instruct the Secretary-Treasurer to advertise in the principal local papers, and the Chief Engineer furnishes inquirers with specification forms. The tenders are addressed to the Secretary-Treasurer in closed envelopes and are opened in the presence of the Commissioners on a stated day. Usually in the case of supplies the tenders are handed to the Engineering Department for tabulation after which they are returned to the Commissioners, through the Secretary-Treasurer, and the accepted tender is initialed on the tabulated statement by one of the Commissioners and the award entered in the minute book. The contracts are prepared by the Secretary-Treasurer for signature. Advertised tenders are not dealt with in any way by the Purchasing Agent.

It is required that tenders be accompanied by a certified cheque for not less than 5 per cent of the amount of the tender and in the case of the accepted tender, this is retained until the contract is completed. Usually an additional amount of 5 per cent of the total amount of the contract is also retained by the Chief Engineer from the first estimate until the satisfactory completion of the contract.

We have prepared, and submit herewith (Exhibit 27), a statement setting forth the names of the parties tendering, quantities called for and prices quoted for the principal commodities during the five years, this statement also showing the names of the firms to whom the contracts in connection with these purchases were awarded.

Generally speaking it was found that when the tenders complied with the specification as prepared by the Engineering Department the lowest tender was accepted.

The system of receiving tenders appears to be regularly carried out by the Commissioners. We would suggest, however, that the tenders after being tabulated, be attached to the tabulation together with the correspondence relating thereto and systematically filed according to commodities. It is customary in the case of large corporations to keep a contract register for the purpose of recording the necessary particulars; at present records of deliveries under the contracts are kept in the Engineering Department on loose sheets which is unsatisfactory.

Purchases by Purchasing Agent.

All purchases in small quantities are made by the Purchasing Agent. These purchases represent—

(1) Purchases made direct by the Purchasing Agent according to catalogue prices or telephone communication.

(2) Purchases for which tenders are asked by letter, signed by the Purchasing Agent.

These tenders are submitted to the Commissioners with the original requisition for the goods, and they initial the tender which is to be accepted. It would appear that it is the practice to accept the lowest tender.

The Purchasing Agent accepts responsibility as to the prices on the invoices and the various storekeepers certify as to the receipt of the goods. Certification as to the correctness of prices and receipt of goods is made by the initials of the employees responsible. It would be preferable to affix certifications by means of rubber stamps containing spaces for signatures.

Testing of Material.

It is the policy of the Commissioners to have the principal purchases passed upon as to quality by outside inspectors, with the exception of timber which is inspected by the Mill Superintendent. In the past five years the contract has been given to the Canadian Inspection Company which tests the material upon the requisition of the Chief Engineer or in the case of Elevator No. 2 of Messrs. J. S. Metcalf & Co.

The following information in regard to the methods of testing has been furnished to us:—

In the case of structural material inspected at the mills, the Inspection Company forward periodical reports of tests, giving details of that accepted as well as that rejected.

In the case of testing cement, the Inspection Company takes samples of cement at the mill, which are submitted to the usual tests as to fineness, specific gravity, breaking, &c.

Sand is occasionally tested for coarseness of grain and impurities. Samples are taken from the barge by the Inspection Company and prompt report made so that the sand may be rejected if found unsuitable.

The inspection of castings is made at the foundry by the Inspection Company and chemical tests are made occasionally.

When considered necessary tests are asked for on certain manufactured goods. Samples are sent out with identifying numbers and all evidence of the origin of the package is carefully removed so that the Inspection Company can have no knowledge of the maker's name.

So far as we could ascertain all timber is passed upon as to quality and accepted by Mr. W. R. Lunan, Superintendent of the saw mill, who is under the Chief Engineer. Owing to the fact that timber is purchased in very large quantities it might be considered more desirable to obtain independent opinion as to the quality, as is done in the case of other purchases.

APPROVAL AND DISTRIBUTION OF VOUCHERS.

Invoices and accounts are received partly by the Secretary-Treasurer and partly by the Purchasing Agent. All invoices are handed to the Purchasing Agent for examination unless they relate to contracts, when they are handed to the Engineer's Department.

The Purchasing Agent checks the invoices against the requisitions and reports of receiving clerks, compares the prices and makes any necessary deduction for discount. He returns the invoice to the department in which the purchase originated, i.e., the Engineer's Department, Traffic Department or Secretary-Treasurer's Department, with a note as to the terms of payment. The heads of the departments certify the correctness of the invoices after which they are sent to the Secretary-Treasurer for payment.

The Engineering Department keeps records in which are entered all invoices passed by that department for payment, and which contain detailed information as to the distribution of the material and the cost of the different work carried out.

The Traffic Department keeps a memorandum record of the principal purchases originating in that department and rough data as to cost.

All invoices received by the Secretary-Treasurer's Department for payment are recorded in a special register as well as being entered in the cash book. Cheques are sent out with the invoice, in some cases a written receipt being attached to the account for signature by the payee. The accounts on being returned after payment are numbered consecutively according to the cash book order and filed, and an index in alphabetical order by years is kept.

At stated periods the accounts paid or to be paid are initialed by one of the Commissioners. The practice is to make payments both by cash and by cheque.

At the present time all petty payments pass through the general cash book which appears to be unnecessary. We would recommend that the Treasurer or Cashier should have a Working Fund which would be reimbursed from time to time, as required, by cheque drawn from the general cash. All payments entered in the general cash book should be made by cheque. A Working Fund should also be kept by the Paymaster.

Cash discounts obtained are deducted on the face of the invoice, and the net amount entered in the cash book. It would be preferable to show on the face of the cash book the deduction for discount.

When the Commissioners purchase goods which are to be delivered f.o.b. Montreal they sometimes pay freight for the consignors. These payments should be deducted from the consignor's account before settlement, but under the present system it is difficult to obtain conclusive proof that this has been done. Generally speaking the necessary deductions appear to have been made, but there have been several small payments on account of freights which were apparently recoverable, and the refund of which we have been unable to trace. We would suggest that all payments of this character be debited to a clearance account which would be credited as the deductions were made.

At the present time the distribution of expenditures is partly made in the Secretary-Treasurer's Department through the cash book and partly in the Engineer's Department. We would suggest that a voucher record or purchase journal be kept which would facilitate the distribution of expenditures and would record them as they are incurred and not as when paid, as is now the case.

EXAMINATION OF CASH TRANSACTIONS.

We have examined the cash books of the Corporation for the five years ending December 31, 1911, both in regard to revenue and disbursements. We traced all bank deposits as shown by the cash book into the bank pass book and reconciled the balance thereon at December 31, 1911, with the bank balance carried on the ledger.

As already noted herein the records in regard to the collection of revenue, such as local wharfage dues, rents, &c., are incomplete, and while nothing has come to our notice during our examination which would raise doubt as to the correctness of the entries for these receipts, we have been unable to make any satisfactory verification of them. We would also mention here that all cash received is not deposited in the bank intact as is usually the practice in large corporations.

The cash payments for the five years were compared with the vouchers on file, and with the exception of about twenty payments for the year 1907 (for which cancelled endorsed cheques were produced) and a few small items in other years, the payments in the cash book have been fully vouched. In addition to examining the vouchers we examined the paid cheques for the same period, and compared them with the cash book. With a few unimportant exceptions all cheques were produced for our inspection.

Pay Lists.

The pay lists for the five years ending December 31, 1911, were compared with the cash book and were also examined as to certification. Labour pay lists are certified by the Chief Engineer and signed by the Engineering Department Accountant; the administrative staff pay lists are certified by the Secretary-Treasurer and those of the Traffic Department are certified by the Superintendent and signed by the Traffic Department's chief clerk. The general labour pay lists bear the certificates of the Paymaster and a witness (usually the Assistant Paymaster) as to payment, while the pay rolls of the permanent staff are signed by the individuals themselves. The pay

lists in connection with the construction of Elevator No. 2 bear, in addition, the certificate of Messrs. J. S. Metcalf & Co. All pay lists are approved by the Commissioners.

The clerical accuracy of the general labour and administrative pay lists for the year 1907, and for the months of October, November and December, 1908, were verified and the salary increases of the permanent staff during the five years were, with one or two minor exceptions, found to have been properly authorized by the minutes of the Commissioners.

In examining the pay lists it was noticed that those in connection with the new harbour office building, amounting to some $18,000, had not passed through the Engineering and Paymaster's Departments. In most cases these lists were certified by the Secretary-Treasurer and all bore the approval of the Commissioners, but in a few cases the Commissioners' initial was the only authorization for payment. The contract for the erection of this office building was let to one Charles Thackeray, who assigned in favour of his creditors before starting the work. The Commissioners purchased his plant for $3,000, and carried on the work with Thackeray as their foreman at a salary of $150 per month. We direct your attention to these pay rolls as they do not conform to the system of internal check devised for the regular pay rolls, and we would also suggest that you carefully scrutinize the signatures as in several cases there is quite a similarity in the handwriting.

The system in force for the payment of pay rolls appears to be satisfactory if properly carried out, but we would call your attention to the two following defects:—

(*a*) That the Paymaster certifies that all the persons enumerated on the roll have been paid, but this does not appear to be strictly in accordance with fact, as there are usually some envelopes uncalled for at the time of certification.

(*b*) That the duties of the Paymaster comprise the collection of local wharfage dues in addition to the payment of wages. It would appear that moneys received for wharfage are at times used to pay wages of employees leaving before the regular date of payment, and apart altogether from this feature, it is undesirable for any employee other than the cashier to be responsible for both the receipt and disbursement of money.

We submit (Exhibit 18) a summarized comparative statement of the wages during the five years ending December 31, 1911, and a comparative statement of rates paid (Exhibit 19); also a schedule of salaries of permanent staff (Exhibit 20).

GENERAL REVIEW OF ASSETS AND LIABILITIES.

We submit a balance sheet (Exhibit 1) setting forth the assets and liabilities of the corporation, as shown by the books at December 31, 1911.

Up to the time of preparation of this report the books had not been finally closed by the Commissioners and the statements submitted herewith for the year 1911 may not, therefore, be in exact agreement with those to be submitted by the Secretary-Treasurer.

CONSTRUCTION AND IMPROVEMENTS OF HARBOUR WORKS.

We may refer here briefly to the methods by which the capital expenditures are financed. A definite plan of construction and improvement is adopted by the Commissioners, and appropriations for this work, approved by the government, are made from time to time by Act of Parliament. Estimates are prepared and the work is commenced, and as the construction progresses, statements of expenditures are forwarded to the Department of Marine and Fisheries and applications are made for advances out of the amount appropriated.

On reference to the balance sheet it will be seen that the cost of harbour works and improvements, as carried on the books, amounts to $17,793,971.79, while the Commissioners have borrowed from the government and the public an amount of $16,607,000. It would appear from the records of the Engineering Department that the Commissioners were entitled to a further advance at December 31, 1911, of approximately $340,000 on capital outlays during the five years to that date.

We submit herewith a statement showing the position of the Capital Construction Accounts at the beginning and end of the period of our examination (Exhibit 21).

We have examined the vouchers for the payment of labour and material during the five years, but it is not practicable for the purpose of this report to thoroughly investigate the character of each piece of construction work, with a view to stating whether or not it is in the nature of replacement, renewal or reconstruction. No good classification of construction expenditures has been kept and we would recommend that this should be done in future. The expenditures might be classified under the following main groups:—

(*a*) Those in connection with the purchases of real estate outside the harbour limits.

(*b*) Those in connection with permanent improvements such as wharves, embankments, &c.

(*c*) The deepening of harbour channels and basins by dredging.

(*d*) The construction and dredging equipments such as machine shops, dredging fleet, &c.

(*e*) The equipment which is operated by the Commissioners with a view to obtaining revenue, such as elevators, harbour railway, wharf sheds, &c.

DEPRECIATION.

It is not practicable to state how much of the total expenditures on capital account represent construction on Harbour Works which has been replaced by modern improvements.

No consideration has been given during the period under review to the question of depreciation on the structures or equipment under the control of the Commissioners. Whilst obviously the corporation stands in a somewhat different position from an industrial company, it would seem that this important factor in the cost of operation should not be omitted from consideration; in fact, the determination of the true cost of operation, which must include a provision for depreciation, would seem to be the first requisite in the establishment of a correct and equitable scale of rates, the formulation of which is one of the principal duties of the Commission.

We quite recognize that the wide benefits to be derived from fostering the commerce of the port and other considerations of policy must necessarily enter into the final determination of the rates to be charged; but we think that it is essential that the true costs of service be first determined, which can only be done after the inclusion of a proper charge for depreciation so that any loss arising from the insufficiency of the rates charged may be compared with the broad benefits attained, and the wisdom of the policy judged accordingly. Much of the property is of a permanent nature, but at the same time there are considerable parts of the investment in structures and the entire investment in equipment which must admittedly suffer depreciation, and in this connection we might point out that the investment in such property having increased materially in recent years the current renewals and repairs cannot be sufficient to make good the accruing depreciation arising through wear or tear or obsolescence.

If it were decided to follow our recommendations regarding depreciation we should be glad to advise as to the rates which might be adopted on the various classes of construction, so that the annual charge against income might be adequate to provide for the reconstruction and eventual replacement of the structures.

REAL ESTATE.

Crown lands lying within the limits of the harbour of Montreal are vested in and held by the corporation (57-58 Victoria, chap. 48, sec. 21) and so far as we understand no value appears in the books for such lands. In addition the Commissioners hold the three following parcels acquired from time to time for the purpose of facilitating traffic operations:—

(*a*) Land and buildings of Commissioners offices on Common street. This property is carried on the books at $82,931.90, as compared with an assessed value of $91,000.

(*b*) Land in St. Mary's ward, Papineau avenue, purchased from Alex. Maclaren on March 23, 1903, carried at a value of $25,239.90. This property was purchased as a site for the old harbour yard.

(*c*) Land with buildings thereon at Notre Dame street, purchased January 19, 1911, from P. Rafferty for $72,000. The Commissioners paid $10,000 in cash, and assumed mortgages in favour of the Montreal Loan & Mortgage Company for $18,000 at 6 per cent. The balance of the purchase money which is payable within three years from January 1, 1911, bears interest at 5 per cent.

The usual city rates are paid upon the above properties, but no rates are paid on the property within the Harbour limits. The city of Montreal is, however, we are informed, claiming that the Commissioners are liable for rates on improvements.

The Commissioners allot and lease areas of land and wharves or parts of wharves within the port limits from year to year and also for extended periods. All leases, excepting those for wharf sheds (by-law 89) are authorized by by-law approved by Order in Council.

We append to this report (Exhibit 23) a schedule setting forth in summary form the allotments and leases as authorized by the various by-laws. In the case of by-laws 82, 83, 84 and 85 no leases have been granted, but the allottees are occupying the various premises subject to the pleasure of the Commissioners.

DREDGING.

We submit statements of dredging done during the past five years, which we have obtained from the Engineering Department. We are informed that the dredging charged to capital account is of a permanent character and that none of it represents expenses of maintaining the depth of the harbour. On reference to these statements (Exhibits 24 and 25) it will be noted that the cost per cubic yard varies considerably.

ELEVATOR No. 2.

The necessary excavation and preparation of the site for this elevator was completed by the Commissioners. The erection of the elevator is being carried out under contract awarded to Messrs. J. S. Metcalf & Co., in 1910, without tender, under the following conditions:—

(*a*) The entire construction is subject to the supervision of the Harbour Commissioners, but it is under the direct control of the contractor's superintendent, Mr. F. N. Hodge.

(*b*) Materials required in construction are furnished by the Commissioners on requisition of the contractors, who, however, recommend the placing of contracts. Wages are paid by the Commissioners, but the men are engaged by the contractors, the rates of pay being subject to the Commissioners' approval.

(*c*) The contractors supply certain equipment and machinery.

(*d*) The contractors are to receive 10 per cent on the cost of the construction, 8 per cent being paid as the work progresses and the remaining 2 per cent being held back until completion of the work.

Up to December 31, 1911, the labour and material cost of construction amounted to $1,323,593.99, and up to that date the contractors had been paid $85,568.83.

The entire completed cost of the elevator, including the extension in course of construction is estimated as follows:—

General construction	$1,657,207
Excavation and clearing	235,000
Extension	290,000
	$2,182,207

It is stated that this elevator will have a capacity of 2,620,000 bushels.

SHIP CHANNEL EXPENDITURES IN SUSPENSE.

The books show a debit balance against the Government of $1,112,890.72, which appears to represent expenditures incurred in connection with the ship channel. This expenditure was incurred a number of years ago, and there is no one at present in the office thoroughly conversant with the details, but so far as we can ascertain it is offset by an appropriation of surplus.

The following is an extract from a report of the Finance Committee, dated February 24, 1899, submitted to the board and approved on the 7th March, 1899:—

'It was decided to open an account in the ledger styled Dominion of Canada Suspense Account, and that it be debited with the following accounts to wit, the above acounts $3,986,243.72; the above being balance of expenditure on the 20-foot channel, for interest on the loans made for the 27½-foot channel and for the buoyage in the channel, these claims being justly due to the harbour of Montreal, and that the said account be credited by Dominion Government. $2,873,353 of this amount having been received during construction as loans and from the repayment of which the Government discharged the Commissioners by virtue of Act 51 Victoria, Chap. 5, leaving a balance due to the Commissioners of $1,112,890.72.'

The amounts originally expended on behalf of the Government were as follows:—

New channel operations	$2,307,691.70
Lake and river operations	295,471.00
New dredging plant	535,236.63
Buoys and beacons	53,816.44
Dominion Government interest account	794,027.95
	$3,986,243.72
Deduct: Amount for which the Government discharge the Commissioners	2,873,353.00
Leaving the amount referred to above	$1,112,890.72

With regard to the special surplus account appearing in the balance sheet—this is made up as follows:

Reserve set up out of surplus for interest account, commencing 1878	$794,027 95
Reserve set up out of surplus between the years 1851-1873	300,000 00
	$1,094,027 95

ADVANCE ON ACCOUNT OF ELGIN SEWER BASIN.

We are informed that it is necessary to extend the city sewer and that in order to expedite the completion of the work the Commissioners have arranged with the city to share the joint cost pending the result of a friendly action to decide who should pay for the extension.

ACCOUNTS RECEIVABLE.

We have discussed the value of these accounts with the officials of the Corporation and it would appear that balances amounting to about $32,555.44 are doubtful, and $1,774.78 are irrecoverable. Included among the accounts receivable are three accounts amounting to $485, which represent advances to employees.

DEFERRED CHARGES.

This asset represents the discount on debentures, series 'H' and 'J,' which were issued to the public. This account is being reduced each year by the addition made to interest account on the basis that the discount will be absorbed during the term of the debentures.

FUNDED DEBT.

The borrowing powers of the Commissioners are set forth in section 35, 57-58 Victoria, chapter 48, and subsequent Acts.

Particulars as to debentures outstanding according to the books at December 31, 1911, will be found in Exhibit 22. Of the total of $16,607,000 issued, $1,872,000 was in the hands of the public, and $14,735,000 is due to the Dominion Government. The balance due to the Government has not been verified by communication with the Minister of Finance.

During the five years the advances from the Government which are represented by debentures issued amounted to $7,895,000, of which $100,000 was to retire debentures, Series 'A' which matured July 5, 1910, the remainder being against construction expenditures.

We are informed that the debentures carry no sinking fund obligations, but we are unable to make a definite statement in this respect as no copy of the form of debentures is at present readily obtainable. The debentures Series 'A' which were retired have been destroyed by order of the Commissioners.

DEFERRED CREDIT, RENTAL RECEIVED IN ADVANCE.

This credit of $100,000 represents the consideration paid by the Canadian Pacific Railway for a lease for forty years of five parcels of land as authorized in by-law 108. This was offset by an agreement to purchase from the railway company 350,000 cubic yards of filling material to be used on the high level railway for a like consideration which has been charged to construction account.

PRESENT ORGANIZATION AND BUSINESS METHODS.

In order that you may readily follow the existing plan of organization of the corporation, we refer briefly in this caption to the duties of the various officers and the departments controlled by them.

The work carried out by the Commissioners, subject generally to the approval of the Governor in Council, may be divided into the following main subdivisions:—

(*a*) Construction of Harbour Works.

(*b*) Maintenance of Harbour Works.

(*c*) Collection of port dues and rentals.
(*d*) Operation of revenue producing equipment.
(*e*) Supervision of port traffic.

The various details of the work are in charge of the Secretary-Treasurer, Chief Engineer and Harbour Master, who report direct to the Commissioners. The Manager of the Traffic Department and the Purchasing Agent also report directly to the board, although subject to the direction of the officials named above. The Board is also advised by a Consulting Engineer, Mr. John Kennedy, who was for many years Engineer to the Corporation.

SECRETARY-TREASURER.

This office is held by Mr. David Seath, who acts in the capacity of Secretary-Treasurer and Comptroller of the Corporation. He attends the meetings of the Board, has charge of the usual secretarial duties; and all correspondence, excepting that attended to by the Chief Engineer, passes through his department.

As Treasurer he attends to the general financing of the corporation under the direction of the Commissioners, and to the disbursement and collection of revenue. The general books of account, such as cash book, ledger and journal, are under Mr. Seath's direct supervision, the cost books being in the control of the Chief Engineer. Mr. Seath is assisted by an Assistant Secretary, Mr. W. J. Fennell, and a bookkeeper.

A summarized statement of account, certified by independent auditors, is submitted annually to the Department of Marine and Fisheries, copies of which will be found in the annual reports published by the Commissioners.

Mr. Seath has also charge of the Paymaster's and Wharfingers' Departments, and the supervision of the Wharfage Inspection and Wharf Clerks, whose duties may be described as follows:—

Paymaster and Wharfinger.

This department is in charge of Mr. R. A. Eakin, who is directly responsible to the Secretary-Treasurer. He is assisted by an Assistant Paymaster, Mr. D. Stewart, and an Assistant Wharfinger, Mr. H. Sym.

The duties of these officers comprise the disbursement of pay rolls and the collection of local dues, rentals of spaces, local commutation dues, &c.

Pay Rolls.

The Paymaster receives from the Secretary-Treasurer the certified pay rolls of the entire organization with cheque in his favour for the amount of the rolls.

The rolls relating to unskilled workmen are payable weekly and the remainder semi-monthly.

The cheque is cashed and the amount due the individual employees put up in pay envelopes, on the face of which are noted the employee's name, number and amount due. The Paymaster visits each department with Assistant Paymaster and a constable, and the employees are paid in the presence of the foreman or timekeeper of the various departments.

When a pay list is discharged the Paymaster certifies as to the individual amounts in the following form:—

'Each of the above men was individually paid by me the amount opposite his name.'

The administrative staff sign the pay rolls individually in acknowledgment of the receipt of their salary. All officers and employees are paid in cash, excepting the Chief Engineer and Secretary-Treasurer who are paid by cheque.

We enquired into the matter of unclaimed wages and were informed that there were very few amounts outstanding. On further investigation we found that on the 9th March last there were 26 unopened pay envelopes amounting to $199.91 in possession of the Paymaster, all of which related to the year 1912, these envelopes remaining in the possession of the Paymaster until called for. We would point out that the certificate appearing on the pay rolls covering these envelopes states that these sums had been paid. All unclaimed wages should be handed to the Treasurer's Department for payment and the amounts certified as paid on the roll should be those actually disbursed on the date of payment.

In the case of payment of wages in advance, funds are usually provided by the Secretary-Treasurer and sometimes the cash is taken from the wharfage dues collected, the Paymaster later reimbursing himself from the pay roll cheque.

Collection of Local Wharfage Dues, &c.

The Paymaster in his capacity as Wharfinger collects all dues, rentals, commutations, &c., levied in connection with cargoes of local vessels inwards and outwards.

These dues are handed over to the Secretary-Treasurer from time to time and a settlement is made between the Secretary-Treasurer and Paymaster once a month. The Assistant Wharfinger, during the season of navigation, visits the wharves each morning and reports the various arrivals and departures during the twenty-four hours preceding; particulars of the vessels are recorded in a register showing the tonnage, nature of cargoes, &c. Under a penalty the agent or master of each vessel is required to attend at the Wharfinger's office and fill in a declaration form giving a description and the amount of his cargo. Payment of dues is either obtained at the time of declaration or from the consignee. The Paymaster gives a numbered receipt for payment and retains the stubs of the receipts which serve as his cash book.

Commutations and rentals of spaces are billed for usually once a month by the Paymaster and the amounts are handed to the Secretary-Treasurer.

As a matter of internal check it is undesirable for the Paymaster to be responsible for both the receipt and disbursement of money, more particularly if he does not hand in his receipts intact daily. We would suggest that the office of Wharfinger be entirely separated from that of the Paymaster, or as an alternative that the Wharfinger should make out a slip certifying as to the correctness of the dues, &c., which would be handed to the person making payment, who would present this slip with the cash to a cashier attached to the Treasurer's Department.

Customs Clerks.

Two clerks, Messrs. A. E. Beauvais and P. V. Seath, act as Inspectors of Transatlantic and Maritime Wharfage and have office accommodation at the Customs Department.

Wharf Clerks.

Two clerks are employed on the wharf in connection with the loading and unloading of vessels.

CHIEF ENGINEER.

The Chief Engineer, Mr. F. W. Cowie, is in direct charge of the land and river construction work and the operation of the various harbour facilities excepting the harbour railway. He is assisted in so far as construction and maintenance work is concerned, by a resident engineer, Mr. A. D. Swan, and five Assistant Engineers.

Mr. Cowie is responsible for the estimates submitted and the distribution of the expenditures to the various jobs. He has also direct charge of the records kept in connection with construction and maintenance expenditures and the timekeepers and storekeepers report to him. At the end of June, 1911, the employees directly under this department aggregated about 1,700 men, of which 700 were engaged in the construction of Elevator No. 2.

Cost Department.

The accountant to the Engineer, Mr. Geo. Smart, has general charge over the records kept in connection with construction and maintenance both at the main office and the shops, but the clerks employed outside the main office are not directly responsible to him. He is assisted by two clerks.

Pay Rolls.

The construction and maintenance pay rolls of the land works are made up by the accountant from the timekeeper's books and he checks the pay rolls of the river works, as to the rates, extensions and footings. He certifies to the correctness of these pay rolls and forwards them to the Chief Engineer for approval. The daily statements of labour expended are received and posted daily by the bookkeeper to the debit of the various jobs and each week the total of these daily statements is agreed with the amount of the pay rolls.

Materials.

All invoices for materials purchased for construction and maintenance are received and approved by the accountant on behalf of the Engineer. A record of these invoices is kept in memorandum form and postings are made direct from the invoices in the cost ledger. The invoices are thereupon returned to the Secretary-Treasurer's Department for payment. Daily statements of issues from stores are received and posted to the cost ledger.

Cost Ledger.

The accounts kept in this ledger may be grouped under three main headings:—

Inventory or Operating Department accounts, such as machine shop, sawmill, &c.
Construction accounts.
Maintenance accounts.

The charges to the various construction and maintenance jobs may also be grouped as—

Direct labour.
Indirect labour and expense, which is divided between engineering burden and departmental burden.
Direct material charges.
Indirect material charges or issues from shops.
Debits made by the Secretary-Treasurer's Department, independently of the Engineer's Department.

The sales of scrap material, which are relatively small, are made by tender. Adjustments are made at the end of the year bringing the book inventory figures into accord with the physical inventory. The indirect labour and expenses are distributed over the various jobs by charging percentages on the direct labour, these percentages varying according to the department, the machine shop burden being about 50 per cent of the direct labour, and that at the shipyard about 30 per cent of the direct labour.

With regard to the salaries of the Chief Engineer and Superintending Staff, these are apportioned over the various jobs on the basis of gross cost, maintenance jobs bearing their proportion.

The cost records at present appear to be carefully kept and the system of charging the construction accounts well carried out. Some changes in the system could, however, be made with advantage.

Machine Shop and Shipyard.

We visited the machine shop and shipyard plant and examined the accounting methods and the system in force for recording the delivery and supply of materials and recording the time of the employees.

Generally speaking we found the records up to date and well designed to safeguard the interests of the Commissioners. We give below a brief outline of the duties of these departments and the methods employed.

The plant consists of a machine shop fitted with lathes, planes and other necessary tools, storehouse, pattern shop, paint mixing shop and carpenters' shop, the latter being attached to the shipyard section of the work. The shops are located on the Guard Pier which is virtually reclaimed land.

The object of the plant and equipment is to carry out the necessary repairs for dredging, harbour fleet, building scows and dredges and providing a base from which the fleet is supplied. The shops are in most active operation in the winter, many of the mechanics and carpenters, &c., forming part of the crews of the fleet in the summer.

The direction of this part of the work is vested in Captain Yale, who reports to the Chief Engineer, and he has an assistant who superintends the construction work. Mr. Earle is in charge of the stores and the recording of the time of the employees, and he is assisted by two clerks.

The responsibility for repairs and construction work lies largely with Captain Yale who submits estimates from time to time to the Chief Engineer for approval. After approval a duplicate of the estimate is turned over to Mr. Earle who gives it an estimate number and enters it in a subsidiary cost ledger kept at the shops. In addition to estimates there are standing orders for small repairs. Estimates over $50 must be approved by the Engineer.

Requisition for the Purchase of Material.

The storekeeper makes out requisitions for supplies in triplicate which are approved by Captain Yale. One copy is forwarded to the purchasing agent, and one to the Chief Engineer. As a general rule all supplies, excepting large direct orders, are passed through the store accounts.

Checking of Supplies Received.

When goods are received they are entered in a goods received book and checked against the triplicate of the Purchasing Agent's order. When the invoice has been approved by the Purchasing Agent, the price is entered in the stock book and the invoice initialed as to the receipt of goods and forwarded to the Engineer's Department.

Stores.

The stores are kept under lock and key, and it would appear that no one has access except authorized individuals. The storehouses are accommodated with bins and receptacles for keeping the various kinds of stores separate. All bins are tagged, and when practicable bin cards are kept.

The store ledger is kept in quantities so that the amount of stock on hand of any class of active supply can be readily ascertained and a minimum and a maximum quantity to be carried is established. Inventories of supplies are stated to be physically taken whenever the supply on hand of a particular class of goods runs low.

Physical inventories are now taken at the end of each year, and improvements have been effected in the system in force from time to time within the five years under examination.

Requisition of Supplies.

Requisitions on the store must be initialed by a foreman and the employee receiving the supplies must sign in full for their receipt.

The requisitions are priced out daily by the clerks and a statement of issues duly priced and extended and approved by the storekeeper, is sent daily to the Cost Accountant of the Engineer's Department, where, as already noted, they are posted daily to the debit of the various construction or maintenance jobs in progress.

Recording and Distribution of Time of Employees.

In the machine shop and shipyard every employee is required to ring up on a time clock four times each day in the presence of the timekeeper or assistant. The time clerk visits the men during working hours and hands them slips or time tickets on which particulars of the work on which they are engaged are entered. These slips are signed by the foreman and returned to the time clerk each evening. The next morning the timekeeper checks these slips with the time clock list, making any necessary deduction on account of late arrival, &c., and he draws the attention of the employee to such correction. The time clerk then prices out the time tickets and enters them to the debit of the different estimate numbers, and at the same time makes out a daily report of wages by job numbers which is sent to the Cost Accountant for entry in the cost ledger.

If a man leaves the Commissioners' employ before pay day he receives a slip which is approved by the timekeeper and countersigned by the Engineering Department. His wages are paid by the Paymaster on presentation of these slips.

The authority for the employment of labour is given by Captain Yale.

Fleet.

In the case of crews of vessels the captain of the dredge or vessel is the timekeeper, subject to the supervision of the general timekeeper.

Coal Barge.

This barge is in charge of a foreman, Captain J. Smith. It is used to convey coal to the fleet during the summer months.

Harbour Yards.

This department was formerly in charge of the Superintendent of the Wharf Stock Department, but since March 1, Mr. J. A. Masse has been appointed to the work. He is assisted by a storekeeper and assistant storekeeper.

The Superintendent has general supervision over the repairing of tools used in construction and maintenance.

Authorizations or orders for work in this department must be approved by the Chief Engineer. When an estimate is approved a job number is allotted and the particulars of the work are entered in a cost ledger kept in this department.

Supplies.

Requisitions for purchases are made in triplicate on the Purchasing Agent, one copy being retained by the storekeeper. All goods upon receipt are entered in a stock book and when the invoice is received the receipt of the goods is acknowledged thereon and the prices entered in the stock book.

Requisition for deliveries of supplies are made out in duplicate and are approved by the foreman. The employee receiving the goods signs the requisition.

In the case of tools which are largely used on the land works a system of charging each workman with tools issued is maintained by means of brass checks, which works satisfactorily.

Daily statements of issues to various jobs, priced and extended are sent to the Engineering Department's Accountant.

Physical inventories of all supplies and tools on hand are taken once a year, and those are stated to be written down to their actual value.

Labour.

A small time clock is kept in this department, and the clock slips are checked with the daily time book. Daily statements of labour chargeable against the different jobs are forwarded to the Engineering Department, and these are checked up with the weekly pay rolls which are prepared by the timekeeper, and approved by the Superintendent.

Timber Boom and Sawmill.

Mr. W. R. Luman is superintendent of the mill and boom, and his staff consists of two men, a timekeper and an office clerk who are paid by the day.

The superintendent has charge of requisitioning the Chief Engineer for supplies required, certifying as to the correctness of quantities received at the boom, and also passing upon the grade and quality of the lumber. He also has charge of the operation of the mill and engages the labour.

The equipment was purchased in 1908 for $6,000, and has since been considerably improved. The mill is equipped with three circular saws and a permanent timber boom is adjacent to the mill where delivery of rafts is accepted.

No proper costs or statistics of operation are kept, but in order to obtain an idea of the work we totalled some weekly returns which serve to indicate the volume of business done in 1911.

Purchases	5,000,000 ft. B.M.
Cut	5,900,000 ft. B.M.
Mill wages (excluding boom)	$10,152

The Manager estimates that the mill cost per thousand feet for labour, &c., to be about $3.

The lumber is requisitioned by foremen on the approval of the Engineer in charge of the works, the lumber being usually taken away in scows or by tugs. This lumber is charged to the various departments at fixed prices which are claimed to be below market price. The saw-mill showed a profit of about $10,000 in 1911 which was apportioned to the credit of various jobs.

The supplies for the mill are requisitioned from the machine shop, and the time is kept by Mr. Luman's assistant. Daily returns both of labour and issues of lumber are made to the Engineering Department.

Wharf Stock.

Mr. Beauregard, the cost clerk is in charge of this section of the work, and his duties consist of comparing the cost of jobs with estimates and so effecting a check on the foremen who are responsible for the goods they receive from the stores. He also has charge of the stocks of cement, stone, sand, &c.

Harbour Repairs and Maintenance.

This section of the work is in charge of Mr. W. Porteous who reports direct to the Chief Engineer on the miscellaneous repairs and maintenance to be carried out on the land works, and he also inspects the work of the gangers.

Tarte Pier Sheds.

Certain sheds are in course of erection at this pier under contract and a representative of the Chief Engineer, Mr. L. DuPlessis, is engaged to look after the work.

ELEVATORS AND CONVEYORS.

This department has charge of the handling and storing of grain in the elevators. It is managed by a Superintendent, Mr. J. Nehin, and an assistant, Mr. J. P. McLean, who report to the Chief Engineer as to the operation and to the Secretary-Treasurer for all accounting records kept in connection with the storing of grain and the collection of revenue. The plant consists of an elevator (No. 1) equipped with an extended system of conveyors to the wharf sheds. A second elevator is in course of construction, but it is not expected that this will be ready for use before June next.

In addition to the above-mentioned Superintendent, the permanent staff consists of one clerk, three electricians, three sworn weighmen, two firemen and ten mechanics. When the elevator is in full operation during the summer months, additional labour is engaged as required.

The grain is received from either barges or railroad cars and is delivered to outgoing steamers or cars for local delivery, as required. For particulars as to the quantities handled we would refer you to the statement of elevator revenue (Exhibit 6); the tariff is set forth in by-law No. 104.

Storage Methods.

For the purpose of illustrating the system in force we outline below the practice followed in handling a grain shipment. When a cargo of grain is received a notice from either the consignor or captain of the transferring vessel is received by this department advising the quantities of grain to be stored, with bill of lading stating the quantity and grade of the grain. A weighman is thereupon assigned to the work of unloading and weighing the shipment, the grain being weighed at the top of the elevator before it goes into the allotted bin. The weighman then makes a report in a tally book as to the quantity received and when stored, which report the Superintendent initials before it is recorded by the bookkeeper. A storage number is allotted to the shipment and it is entered in a stock book and a delivery book. A report giving the total bushels stored is sent to the Secretary-Treasurer, this report being signed by the Elevator Superintendent. The Secretary-Treasurer reports the receipt of the grain to the consignor.

Requests for delivery are received by the Secretary-Treasurer, who forwards the request to the Superintendent. The Superintendent in turn checks it with the stock book and then hands the requisition to a weighman who weighs out the grain and records the delivery in a tally book kept for this purpose. The tally book is handed the bookkeeper who records the quantities delivered in his stock book. A detailed statement of deliveries is made out daily, which is forwarded to the Secretary-Treasurer and he renders bills for the handling and storage charges.

So far as the Superintendent's records are concerned, they appear to be well kept and the system of recording and checking would appear to be adequate.

Daily and weekly statements of grain handled are made out for the Commissioners and a weekly sworn report is sent to the Department of Trade and Commerce at Ottawa and to the Manitoba Grain Inspection Division.

Supplies and Repairs.

Only small quantities of supplies are kept on hand, requisitions being made in triplicate, on the regular forms, to the Purchasing Agent after approval of the Superintendent. In emergency cases repair supplies are sometimes ordered before the

requisition is forwarded to the Purchasing Agent. Requisitions are also made on other departments. No cash is handled at the elevator.

The electric power is furnished by contract by the Montreal Light and Power Company. The rates have been reduced in the past two years as will be seen from examination of the revenue account.

Labour.

The time books are kept by the foreman and scrutinized by the Superintendent. These time books are sent to the time-keeper of the Engineer's Department where the pay-rolls are made up. The Superintendent engages the men, but before doing so he has to apply to the time-keeper for a brass check of identification for payment purposes.

During the winter the operating staff is engaged largely in repair work.

Sheds Maintenance.

This section of the Engineer's Department is in charge of two foremen, Mr. Clermont and Mr. Clifton, and is maintained to look after the general repairs and condition of the sheds.

FLOATING ELEVATORS.

This department is virtually a division of the Elevator Department, and is in charge of Superintendent J. Hunault, who reports to the Chief Engineer so far as the vessels are concerned. The weighmen, who are under the control of Mr. Nehin, report through the elevator office to the Secretary-Treasurer.

The plant originally consisted of 17 floating elevators which were purchased for $100,000 in the early part of 1910. The elevators are used for transferring grain from one vessel to another and are consequently only in operation in summer, many of the crew being engaged on repair work during the winter months. All supplies for repairs, &c., are obtained through the machine shop. The charges for transferring grain are set forth in By-law 103.

Handling Methods.

Orders for the transfer of grain are made out on the special forms which are signed by the shipper. These orders are handed to the weighmen who proceed to make the transfer and who report to the elevator clerk as to the quantity and kind of grain transferred and the time consumed in handling. The elevator clerk records transfers of grain in a delivery book and notifies the Secretary-Treasurer of each shipment, and in addition he makes out a weekly and monthly report of transfers. The Secretary-Treasurer sends out the bills to the shipper and collects the charges.

Labour.

The time is kept by Mr. Hunault, who reports to the Engineering Department timekeeper, and the rolls are made out in the same manner as those for Elevator No. 1.

TRAFFIC DEPARTMENT.

This department is in charge of a superintendent, Mr. J. Vaughan, who reports direct to the Commissioners as to operations and to the Secretary-Treasurer as to earnings. He is assisted by a yardmaster, Mr. W. Goldsmith, and there is an office force of two clerks.

The operating staff consists of engineers, firemen and yardmen and checkers. This department operates about twenty-one miles of switching tracks located on Commissioners' property along the water front. At December last the equipment consisted of five switching locomotives and two additional locomotives have been purchased during

the current year. A separate storehouse is maintained for this department and one of the yardmen under the yardmaster is in control of the supplies.

The locomotives of the Commissioners alone operate over these harbour tracks, all cars being hauled from the various railroad yards and returned by the Commissioners. Some cars are also hauled between railroad yards over the tracks of the Commissioners. The tariff and conditions for handling cars are set forth in By-law No. 96. We would refer here to the Revenue Statement of this department (Exhibit 5) wherein it will be seen that in the years 1908 and 1909 the charges for freight on fuel exceed or equal the charges for fuel itself.

Method of Checking Cars.

When cars are delivered, a train report giving out number is made out in duplicate by the conductor of the delivering railroad, which is signed by the representative of both the railroad and the Commissioners. Each evening the checkers send a copy of each report to the Traffic Officer, the railroad retaining the original. The clerk records the number of the cars and the switching charges according to whether the car is loaded or unloaded. When cars are returned the checker makes out a train report in duplicate which is dealt with in a manner similar to the report of incoming cars.

From the office records information can readily be obtained showing the cars remaining on the wharves.

The bills against the railroads for switching and demurrage charges are made out by the Traffic Department clerks and handed to the Secretary-Treasurer for collection, a duplicate copy being retained in the Traffic Department.

Supplies.

All requisitions for purchase of supplies such as oil, waste, coal, &c., originate with the yardmaster and are approved by the Superintendent and forwarded to the Purchasing Agent.

When supplies are received the yardmaster checks and approves the invoice which is returned to the Secretary-Treasurer ready for payment. A requisition has to be made in duplicate for delivery of supplies, the requisition being signed by the yardmaster and the locomotive engineer receiving the supplies. One copy of the requisition is sent to the Traffic Department and the other retained on the department files.

Repairs to tracks are carried out by the Engineering Department upon requisition of the Traffic Superintendent. Repairs to locomotives are now made by outside contractors, but it is expected that when the locomotive shop is completed all repairs can be carried out by the department.

Labour.

Daily time tickets are made out in duplicate, the original being sent to the Traffic Superintendent's office where it is recorded in a time book.

At the end of each two weeks period the pay roll is made out in the Superintendent's office and sent to the Secretary-Treasurer, who provides for payment and forwards it to the paymaster.

HARBOUR MASTER.

The Harbour Master, Mr. J. McShane, who is assisted by a Deputy Harbour Master, has charge of the general supervision of the shipping traffic at the port. He keeps a record of all vessels arriving at and leaving the port, with a description of each.

CONCLUSION.

Our investigation of the transactions of the Commissioners for the five years ending December 31, 1911, has been of an exhaustive character and in concluding our report it may be convenient to summarize the principal results of our inquiry as follows:—

(1) We have satisfied ourselves that the cash disbursements have been made in the regular course of business and are supported by invoices certified by the proper officials as to price, clerical accuracy and receipt of the goods or authorization of the expense, except in a few minor instances where the vouchers have apparently been mislaid.

(2) We have found that the salary lists and pay rolls have been certified by the heads of the various departments and proper safeguards appear to have been adopted in the keeping of time of employees and in the payment of salaries and wages.

(3) While we are unable to definitely state that all local wharfage dues, rentals, &c., have been collected (as the system of accounting does not admit of a satisfactory verification of these receipts) nothing has come to our notice during the course of our investigation which would throw doubt on the honesty of those handling the cash.

(4) In the case of the large purchases of materials and supplies it has been the practice of the Commissioners to call for tenders and to award the contracts to the lowest bidders fulfilling the requirements specified. In regard to the purchase or construction of certain special equipment such as elevators, dry dock, &c., considerations as to efficiency and prompt delivery are such material factors that the award of the contracts is clearly a matter of executive judgment which is outside the scope of our report.

(5) The safeguards at present installed should provide for the correct distribution of materials and supplies, and nothing has arisen in the course of our investigation to indicate irregularities.

(6) Generally speaking the books and accounts have been carefully kept, but the accounting system does not fully meet the requirements of the business, and should be improved in order to provide for an effective check over the work of the various departments and a more complete analysis of the expenditures.

(7) The present organization is defective in the following respects, firstly, that the Secretary-Treasurer, who has charge of both the collection and disbursement of moneys, has also the direct control of the general ledger and certain principal accounting records; secondly, that the Chief Engineer who prepares and is responsible for the estimates has control of the distribution of material and supplies and the keeping of time, and also the engineering cost records.

This plan of organization does not, in our opinion, provide an effective system of internal check, and we would recommend that all the accounting and cost records of every department be placed in charge of a Chief Accountant or Comptroller, who should have the entire responsibility for all the accounting, including the preparation of bills, certification of vouchers, timekeeping and store records, and he should submit periodical statements of account and statistics to the Commissioners and to the other officials as required; he should be directly responsible to the Commissioners and all employees engaged on the accounting records should report to him.

The Secretary-Treasurer should be responsible for the collection and disbursement of all cash and the general financing of the corporation; in addition he should have charge of the general secretarial duties as at present.

The Chief Engineer should be in complete charge of all construction and maintenance work and the estimates prepared in connection therewith, and he should be furnished with information with regard to the actual cost of the work by the accountant.

(8) The present departmental costs are incomplete in that no consideration has been given to the question of accruing depreciation and the apportionment of general and administrative expenditure.

We have pleasure in stating that we have received the cordial co-operation of the officers and employees of the Harbour Commission, and that every facility has been afforded us in connection with our investigation.

Respectfully submitted,

PRICE, WATERHOUSE & CO.

EXHIBIT 1.

HARBOUR COMMISSIONERS OF MONTREAL.

BALANCE SHEET,

DECEMBER 31, 1911.

ASSETS.	$ cts.	$ cts.
Capital Assets—		
Harbour Works and Improvements, including real estate (other than Crown Lands), buildings, dredging, elevators and other operating and construction equipment and interest on certain construction expenditures—		
Balance January 1, 1907 . .	9,711,085 06	
Additions during the five years to December 31, 1911 (net) .	8,082,886 73	
		17,793,971 79
(NOTE—On December 31, 1911, the Commissioners are entitled to an advance of approximately $340,000 00, excluding interest on work in course of construction, from the Government.)		
Ship Channel expenditures incurred prior to 1893 not reimbursed by the Government (see *Contra*)		1,112,890 72
Advance to City of Montreal on account of Elgin Sewer Basin, the matter being the subject of litigation . . .		75,000 00
Total		18,981,862 51
Current Assets—		
Inventories of material and supplies on hand . .	106,950 16	
Accounts receivable (before provision for doubtful accounts)	142,186 60	
Cash on hand	69,930 02	
		319,066 78
Deferred charges—		
Discount on debentures		10,016 23
		19,310,945 52

LIABILITIES.	$ cts.	$ cts.
Funded Debt—		
Debentures issued to Dominion Government	14,735,000 00	
Debentures issued to public . .	1,872,000 00	
		16,607,000 00
Mortgage on Notre Dame Street property		18,000 00
Accounts payable—		
Security deposits	31,737 15	
Trade accounts, etc.	2,383 80	
Accrued pay-roll . . .	8,753 41	
Interest accrued	265,982 97	
P. Rafferty, balance due on purchase of property	44,000 00	
		352,857 33
Deferred credit to operations—		
(Rental received in advance)		100,000 00
Surplus account		
Balance carried as a reserve in connection with Construction Expenditures	1,094,027 95	
Balance of Harbour Revenue Account (see Exhibit 2)	1,139,060 24	
		2,233,088 19
		19,310,945 52

EXHIBIT 2.

HARBOUR COMMMISSIONERS OF MONTREAL.

Summarized Statment of Revenue and Expenditures.

	1907.	1908.	1909.	1910	1911.	Total.
	$ $	$ $	$ $	$ $	$ $	$
Revenue from all outside sources (Exhibit 3)	488,419 36	506,578 25	681,319 34	838,016 46	923,345 44	3,437,678 85
Expenditures (Exhibit 4)						
Repairs and maintenance	77,109 53	84,234 55	69,382 23	67,182 59	78,060 53	
Operating	67,499 51	85,430 86	144,030 84	163,605 59	205,732 27	
Extraordinary	600 00	6,600 00	2,986 25	600 00	15,769 14	
Administrative and Collection	61,510 40	65,212 52	52,319 81	58,230 32	59,896 73	
Total expenditures	206,719 44	241,477 93	268,719 13	289,618 50	359,458 67	1,365,993 67
Revenue surplus before deducting interest charges	281,699 92	265,100 32	412,600 21	548,397 96	563,886 77	2,071,685 18
Deduct—						
Interest charges per exhibit attached	336,277 86	386,131 16	411,538 78	448,245 57	503,979 58	2,086,172 95
Revenue surplus or deficit*, not including extraordinary revenue	*54,577 94	*121,030 84	1,061 43	100,152 39	59,907 19	*14,487 77
Add or deduct†						
Inventory shortage					355,296 34	
Interest charged to capital account	55,401 20		355,000 00			355,104 86
Net Revenue Surplus or deficit*	823 26	*121,030 84	356,061 43	100,152 39	4,610 85	340,617 09
Add—						
Balance on Harbour revenue account as per books at January 1, 1907						798,443 15
As per balance sheet						1,139,060 24

Note—No apportionment of Revenue or Expenditures has been made as between years.

EXHIBIT 3.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF REVENUE.

	1907.		1908.		1909		1910		1911	
	$ cts.		$ cts.		$ cts.		$ cts.		$ cts.	
Revenue—										
Wharfage dues collected by Customs Department (Exhibit 10)..	321,541 23		293,730 52		505,893 76		351,871 33		357,999 73	
Wharfage dues local (Exhibit 11)..	45,330 60		58,849 75		73,674 51		86,798 76		100,855 55	
Wharfage additional collected by Treasurer....	3,823 50		2,311 45		1,962 07		3,417 90		4,296 06	
Rental of spaces, Land and Offices, etc., (Exhibit 16)....	13,633 03		8,491 52		9,809 70		9,088 05		9,222 52	
Harbour sheds (Exhibit 7)..	14,600 00		29,500 00		101,500 00		100,599 97		100,499 97	
Traffic Department (Exhibit 5).	71,815 93		68,343 45		101,616 45		120,776 86		142,375 14	
Elevator No. 1 (Exhibit 6)...	7,970 63		45,351 56		82,463 85		112,039 63		131,025 22	
Floating elevator (Exhibit 9)..							50,356 64		55,652 60	
Floating crane (Exhibit 8) .					2,369 00		3,067 32		6,617 00	
Electric hoist..									2,290 48	
Miscellaneous .	701 44								12,531 17	
Total revenue. .		$188,419 36		$506,578 25		$681,319 31		$838,016 46		$923,345 44
Add—										
Interest charged to New Steel sheds and elevator No. 1 during construction....										
New steel sheds ...	55,401 20				228,000 00					
Elevator No. 1 ..					127,000 00					
		$55,401 20				$355,000 000				
		$543,820 56		$506,578 25		$1,036,319 31		$838,016 46		$923,345 44

EXHIBIT 4.

HARBOUR COMMISSIONERS OF MONTREAL.

Statement of Expenditures.

Expenditures.	1907. $ cts.	1908. $ cts.	1909. $ cts.	1910. $ cts.	1911. $ cts.
Repairs and Maintenance—					
Harbour	59,898 23	60,883 83	51,290 65	41,848 02	45,123 82
Traffic Department	16,598 72	19,915 20	11,894 82	16,598 01	24,674 81
New Sheds			134 01	1,268 45	1,753 84
Elevator No. 1	612 58	3,435 52	5,170 73	5,798 25	3,635 80
Floating Elevator				645 32	2,498 92
Floating crane			892 02	1,024 54	373 34
Total Repairs and Maintenance	$ 77,109 53	$ 84,234 55	$ 69,382 23	$ 67,182 59	$ 78,060 53
Operating—					
Harbour Lighting	7,597 68	8,284 97	8,870 25	8,457 60	9,385 45
Harbour Survey	1,382 97	1,953 01	2,215 26	1,323 71	2,024 60
Traffic Department	38,788 61	35,815 92	39,785 31	50,683 73	63,908 54
New Sheds		3,430 00	12,589 69	10,456 35	9,730 70
Elevator No. 1	18,792 29	35,589 39	63,649 54	64,908 68	63,839 08
Floating Elevator				23,345 41	28,674 00
Floating Crane			2,083 43	2,832 27	3,967 77
Buoys and Beacon	388 21	217 82	287 87	140 39	576 67
Accident Account	549 75	139 75	82 47		6,701 00
Employers' Liability Assurance			5,764 84		
Travellers' Insurance					3,317 15
Fire protection service			8,702 18		11,703 17
New transporters				479 87	87 40
Electric hoist				977 58	1,816 74
Total Operating Expenditures	$ 67,499 51	$ 85,430 86	$144,030 84	$163,605 59	$205,732 27
Miscellaneous—					
Hon. John Young, monument		6,000 00			
Mrs. John Young, annuity	600 00	600 00	600 00	600 00	600 00
Canadian Appraisal Company					3,152 10
Professional services			1,266 25		
Temporary sheds					1,305 08
Sunken barge and dredge			1,120 00		4,847 72
Furniture and fixtures					5,864 24
Total Extraordinary Expenditures	$ 600 00	$ 6,600 00	$ 2,986 25	$ 600 00	$15,769 14

EXHIBIT 4—*Concluded.*

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EXPENDITURES.

EXPENDITURES—*Concluded.*	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Administrative and Collection—					
Harbour expense	15,381 19	11,102 25	5,260 55	7,212 46	8,191 53
Administrative Staff salaries	24,572 39	26,017 99	26,433 08	29,798 10	31,597 34
Commissioners' salaries	17,000 00	17,000 00	17,000 00	17,000 00	17,000 00
Advertising	453 85	124 55	231 25	423 65	253 30
Legal and notarial	2,130 50	2,588 55	118 80	1,467 05	1,323 75
Printing and stationery	1,524 87	2,865 80	2,105 43	1,324 33	1,310 36
Travelling and incidentals	447 60	5,513 38	1,170 70	1,004 73	220 45
Total Administrative and Collection	$ 61,510 40	$ 65,212 52	$ 52,319 81	$ 58,230 32	$ 59,896 73
Interest Charges—					
Debentures	325,517 17	378,465 66	409,158 19	443,549 08	497,639 79
Bank overdraft	7,182 98	4,450 80	1,072 62	4,530 93	5,982 02
Security deposits	3,363 00	3,000 00	1,093 27	58 21	.....
Miscellaneous	214 71	214 70	214 70	107 35	357 77
	$336,277 86	$386,131 16	$411,538 78	$448,245 57	$503,979 58

EXHIBIT 5.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EARNINGS AND EXPENSES OF THE TRAFFIC DEPARTMENT.

	1907.		1908.		1909.		1910.		1911.	
	$		$		$		$		$	
Cars handled										
Wharf switching and demurrage	34,949		29,580		34,582		36,278		39,380	
Transfers between railroads	864		653		3,304		4,106		7,650	
Total cars handled		$ 35,813		$ 30,233		$ 37,886		$ 40,384		$ 47,030
Gross earnings	$71,815 93		$68,343 45		$104,626 45		$109,503 44		$135,919 09	
Less: Refunds					980 00		2,105 34		2,428 00	
		$71,815 93		$ 68,343 45		103,646 45		$107,398 10		$133,491 09
Add: Miscellaneous earnings, Engineering Department—transportation charges								13,378 76		8,884 05
		$71,815 93		$68,343 45		$103,646 45		$120,776 86		$142,375 14
Expenditures—										
Repairs and minatenance:										
Repairs to locomotives			$ 874 72		$ 1,182 97		$ 5,666 08		$ 8,363 68	
Track repairs and maintenance	16,598 72		19,040 48		10,711 85		10,931 93		16,311 13	
Total Repairs and Maintenance		$ 16,598 72		$ 19,915 20		$ 11,894 82		$ 16,598 01		$ 24,674 81
Operating Expenses:										
Wages	$22,863 63		$26,207 53		$29,097 01		$37,647 10		$41,815 86	
Rental of locomotives	12,630 08		725 20		87 66					
Fuel	652 80		2,607 81		4,884 68		7,054 65		9,743 09	
Freight on fuel			4,423 61		3,257 89		2,112 38		2,159 84	
Oil and waste	14 90		267 18		472 78		486 16		524 63	
Water			140 74		475 34		409 57		1,485 61	
Supplies	528 12		539 93		461 98		728 32		719 40	
Telephones and Stationery	486 88		511 12		518 95		564 10		534 94	
Legal expenses	75 00				260 00		121 19		889 33	
Damage suit	500 00						1,500 00		6,000 00	
Insurance	1,000 00				223 02					
Gas and electricity	37 20		61 10		46 00		60 26		35 84	

EXHIBIT 5—*Concluded.*

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EARNINGS AND EXPENSES OF THE TRAFFIC DEPARTMENT.

	1907.		1908.		1909.		1910.		1911.	
Operating Expenses—*Con.*	$ cts.		$ cts.		$ cts.		$ cts.		$ cts.	
Freight on locomotives			331 70							
Total Operating Expenses		$38,788 61		$35,815 92		39,785 31		$50,683 73		$63,908 54
Total Repairs and Operating Expenses		$55,387 33		$55,731 12		$51,680 13		$67,281 74		$88,583 35
Profit before deducting Departmental charges		$16,428 60		$12,612 33		$51,966 32		$53,495 12		$53,791 79
Less: Departmental charges—										
Rent of offices	533 34		800 00		800 00		800 00		800 00	
Rental of tracks	8,985 61		20,742 00		20,742 00		20,742 00		21,580 00	
Interest on high level tracks									16,787 99	
		9,518 95		21,542 00		21,542 00		21,542 00		39,167 99
Net profit or loss*		$6,909		*$8,929 67		$30,424 32		$31,953 12		$14,623 80

EXHIBIT 6.

HARBOUR COMMISSIONERS OF MONTREAL.

Statement of Earnings and Expenses of Elevator No. 1.

	1907.		1908.		1909.		1910.		1911.	
Bushels of grain delivered	932,112		8,683,911		11,436,767		14,193,714		14,269,199	
Bushels of grain on hand at end of year	169,370		146,809		254,304		712,855		293,131	
Earnings—	$ cts.		$ cts.		$ cts.		$ cts.		$ cts.	
Storage and deliveries	7,970 63		45,351 56		58,951 20		83,193 70		102,395 38	
Shovelling					23,512 65		28,845 93		28,629 84	
Gross Earnings		$ 7,970 63		$ 45,351 56		$ 82,463 85		$112,039 63		$131,025 22
Expenditures—										
Repairs and Maintenance:										
Rope	37 32		501 35		1,444 85		800 13		1,022 39	
Belting	269 32		1,451 94		1,886 38		3,449 37		1,428 11	
Buckets	165 39		1,220 63		819 05		560 00		244 96	
Electrical apparatus	140 55		261 60		1,020 45		988 75		940 34	
		$ 612 58		$3,435 52		$ 5,170 73		$ 5,798 25		$ 3,635 80
Operating Expenses:										
Superintending Staff salary									1,803 09	
Engineering Staff salary	289 10		658 56		2,066 51		1,404 32		891 70	
Wages	10,506 45		17,938 86		25,734 00		26,782 46		28,160 56	
Shovelling					16,415 45		20,551 64		18,452 04	
Light and power	6,381 42		15,245 92		16,689 33		13,461 95		11,540 23	
Fuel	81 99		95 49		154 31		143 46		147 45	
Oil and waste	88 08		170 64		281 03		218 99		329 93	
Inspection of scales	267 94		90 51		91 84		82 35		63 12	
Lamps and brooms	22 94		23 08		112 02		94 49		74 19	
Telephone, printing and stationery	34 20		86 75		125 00		121 95		144 70	
Supplies	882 88		989 58		1,611 52		1,798 09		2,182 07	
Insurance	237 29		290 00		368 53		248 98		50 00	
Total Operating Expenses		$ 18,792 29		$ 35,589,39		$ 63,649 54		$ 64,908 68		$ 63,839 08
Total Repairs, Maintenance and Operating Expenses		$ 19,404 87		$39,024 91		$68,820 27		$70,706 93		$67,474 88
Profit or Loss* before charging interest on cost of construction		*$11,434 24		$ 6,326 65		$ 13,643 58		$ 41,332 70		$ 63,550 34
Deduct: Interest on cost of —										
Elevator	21,709 42		21,765 82		21,782 23		34,311 39		34,311 39	
Conveyors			4,314 20		7,185 59		12,744 63		12,783 82	
		21,709 42		26,080 02		28,967 82		47,056 02		47,095 21
Net Profit or Loss*		*$33,143 66		*$19,753 37		*$15,324 24		*$5,723 32		$16,455 13

EXHIBIT 7.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EARNINGS AND EXPENSES OF NEW STEEL SHEDS.

	1907.	1908.	1909.	1910.	1911.
REVENUE.					
Rentals	$14,600 00	$29,500 00	$101,500 00	$100,599 97	$100,499 97
EXPENDITURES.					
Repairs and Maintenance		$ cts.	$ cts.	$ cts.	$ cts.
Painting				918 45	1,341 09
General repairs			134 01	350 00	412 75
Total Repairs and Maintenance			$ 134 01	$ 1,268 45	$ 1,753 84
Operating Expenses					
Engineering Staff salary				156 01	102 36
Wages		3,430 00	4,176 32	3,927 44	4,078 34
Insurance			8,413 37	6,372 90	5,550 00
Total Operating Expenses		3,430 00	12,589 69	10,456 35	9,730 70
Total Repairs and Operating Expenses		3,430 00	12,723 70	11,724 80	11,484 5
Profit before deducting interest on cost of sheds	14,600 00	26,070 00	88,776 30	88,875 17	89,015 43
Deduct:—Interest on cost of sheds			102,079 63	100,200 48	100,200 48
Net Profit or Loss*	14,600 00	26,070 00	*13,303 33	*11,325 31	*11,185 05

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EXHIBIT 8.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EARNINGS AND EXPENSES OF FLOATING CRANE.

	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.
Revenue—	2,369 00	3,067 32	6,617 00
Expenditures—			
Repairs and maintenance, General repairs	892 02	1,024 54	373 34
Operating expenses—			
Engineering staff salaries	105,28	104 15	77 07
Wages	1,788 15	2,405 62	3,350 70
Fuel	190 00	322 50	540 00
Total operating expenses	2,083 43	2,832 27	3,967 77
Total repairs and operating expenses	2,975 45	3,856 81	4,341 11
Profit or loss* before deducting interest on cost of crane	*606 45	*789 49	2,275 89
Deduct Interest on cost of floating crane	3,022 24	3,915 19	3,915 19
Net profit or loss	*3,628 69	*4,704 68	*1,639 30

EXHIBIT 9.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF EARNINGS AND EXPENSES OF FLOATING ELEVATORS.

	1910.		1911.	
	$ cts.		$ cts.	
Gross revenue—				
Elevating grain	39,732 14		43,032 26	
Shovelling grain	10,624 50	$50,356 64	12,600 34	$55,632 60
Expenditures—				
Repairs and maintenance				
Belting			835 09	
General repairs	645 32		1,663 83	
Total repairs and maintenance		645 32		2,498 92
Operating expenses—				
Engine staff salary			367 05	
Wages	10,820 37		14,902 85	
Shovelling	9,163 61		10,521 35	
Fuel	2,420 50		2,714 75	
Inspection of scales	30 45		82 05	
Stationery and printing	42 19		85 95	
Insurance	868 29			
Total operating expenses		$23,345 41		$28,674 00
Total expenditures		$23,990 73		$31,172 92
Profit before charging interest on cost of equipment		$26,365 91		$24,459 68
Loss—				
Interest on cost of elevators				3,384 50
Net profit		$ 26,365 91		$21,075 18

EXHIBIT 10.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF WHARFAGES RECEIVED THROUGH CUSTOMS DEPARTMENT.

	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Inward	225,513 67	200,539 97	208,927 55	258 996 20	256 373 33
Outward	96,659 62	95,132 59	97,733 00	94,077 34	103,549 29
	322,173 29	295,672 56	306,660 55	353,073 54	359,922 62
Less: refunds	629 06	1,942 04	766 79	1,202 21	1,922 89
	321,544 23	293,730 52	305,893 76	351,871 33	357,999 73

EXHIBIT 11.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF COLLECTIONS BY WHARFINGER.

	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Inwards dues	14,812 18	17,454 66	17,983 15	26,889 23	42,394 01
Outwards dues	3,061 56	4,555 53	7,291 61	9,395 90	6,743 68
Commutation dues	13,846 00	15,305 00	14,292 00	16,240 00	15,986 00
Rentals of spaces	22,610 86	21,534 56	34,125 88	35,405 03	35,893 31
	54,330 60	58,849 75	73,692 64	87,930 16	101,017 00
Less refunds and transfers			18 13	1,131 40	161 45
	54,330 60	58,849 75	73,674 51	86,798 76	100,855 55
Number of local vessels	15,161	13,173	11,661	13,636	11,710
Tonnage	5,546,936	5,548,028	5,057,907	4,327,799	4,275 019

EXHIBIT 12.

HARBOUR COMMISSIONERS OF MONTREAL.

LOCAL WHARFAGES INWARDS.

	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Coal	3,401 82	5,132 52	9,291 66	12,773 94	19,826 10
Stone	3,197 60	2,457 44	586 48	1,573 18	5,634 90
Sand	2,799 68	3,410 72	112 48 3,006 48	4,610 92	6,007 94
Lumber	1,561 80	1,192 62	1,500 58	1,540 53	1,065 11
Bricks	1,349 34	1,240 80	1,160 61	1,698 02	1,404 99
Cement	715 12	348 48		543 42	2,511 72
Steel	546 20	1,819 20		357 48	626 25
Firewood	518 68	451 92	370 20	317 68	320 26
Potatoes	85 56				175 35
Paving blocks	80 64				
Hay	246 72	268 20	197 28	171 48	192 72
Cinders		142 14			
Ice		186 00			
Overcarried goods		139 40			
Gas oil			321 20		
Machinery			138 60	94 75	120 55
Granite blocks			120 72		
Sugar			668 00	102 88	367 76
Penalties			94 00	406 75	404 30
Grain				1,912 89	2,033 28
Ice				308 90	134 00
Manure				102 50	
Pig iron					201 60
Oil					672 10
Other commodities	309 02	665 22	414 86	374 01	695 08
	14,812 18	17,454 66	17,983 15	26,889 23	42,394 01

EXHIBIT 13.

HARBOUR COMMISSIONERS OF MONTREAL.

LOCAL WHARFAGES OUTWARDS.

	1907.	1908	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Sugar	2,901 28	4,303 84	4,879 52	5,811 04	4,689 44
Terra cotta	58 00	130 00	51 00	48 00	
Merchandise	28 40		15 72	60 60	
Machinery	17 20		7 00	20	
Flour	12 36	4,32	52 50	372 18	263 07
Lumber	8 13	1 20	2 61	5 35	
Cinders	9 90				
Oil	5 80	12 00	1 80	2 00	
Groceries	3 80	2 40	4 20		
Grain	3 03	17 61	921 84	22 65	9 45
Coke	2 52				
Scrap iron	2 40	33 60			10 32
Steam shovel	2 00				
Paint	1 80				
Beer	1 40				
Cement	1 20	1 60	1,238 64	2,309 02	1,044 80
Pork	90		12		
Meat	60				2 66
Skins	60				
Firebricks	24		7 60	1 60	
Coal		27 48	11 94	667 32	690 60
Hardware		6 80			
Nails		2 60			
Wire		2 40	40	60	
Tar paper		1 20			
Iron		1 40	1 40		
Bottles		40			
Drain pipes		40			
Gasolene		40	40		
Vinegar		40			
Sundries		4 48	4 58	4 06	1 44
Molasses		1 00	14 00		
Fertilizer			9 30	15 68	25 40
Stone			47 04		
Overcarried goods			20 00		
Paper				66 60	
Empty bags				9 00	6 50
	3,061 56	4,555 53	7,291 61	9,395 90	6,743 68

EXHIBIT 14.

HARBOUR COMMISSIONERS OF MONTREAL.

LOCAL WHARFAGES—COMMUTATIONS.

Name of Steamer or Company.	1907.	1908.	1909.	1910	1911.
	$	$	$	$	$
Richelieu and Ontario Navigation Company	10,000	10,000	10,000	10,000	10,000
SS. *Campanil*	1,000	875	350		
St. Lawrence Canadian Navigation Company	960	2,240	1,600		
Canadian Pacific Railway (Retaining Wall)	500				
Canadian Pacific Railway (Cars at 50c)	496	1,055	1,112	1,498	1,523
SS. *Gaspesian*	250	250	220	320	280
SS. *St. Louis*	250				
Str. *Persia*	250	125			
Str. *Etoile*	140	120	140	160	140
Grand Trunk Railway (Winter cars)		390			
Str. *Florida*		250	250	250	
Str. *Louisville*			250	50	
Str. *Lady of Gaspe*			250	250	250
Richelieu Ice Comapny			100		
Charlemagne and Lac Oureau Lumber Company			20	20	20
Black Diamond Line				1,467	2,840
SS. *Cascapedia*				875	
SS. *Prefontaine*				600	250
King Edward Park Company				250	100
Sorel Ice Company				250	250
SS. *City of Toronto*				150	100
Revillon Bros.				100	
La Cie Navigation du Canada					200
SS. *Rene Paul*					33
	13,846	15,305	14,292	16,240	15,986

EXHIBIT 15.

HARBOUR COMMISSIONERS OF MONTREAL.

LOCAL WHARFAGES, RENTAL OF SPACES.

	1907.	1908	1909	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Coal spaces	5,480 96	14,743 63	12,759 38	15,973 37	14,889 60
Coal Elevators	9,750 00		12,208 00	15,230 00	13,830 00
Scale spaces	1,400 00	1,300 00	1,350,00	1,300 00	1,950 00
Cattle yard spaces	688 08	688 08	2,182 88		2,532 36
Cord wood spaces	309 00	309 00	224 70		
Small offices	2,976 25	1,830 45	2,403 38	1,420 26	1,366 75
Lumber spaces	930 07	1,727 67	853 26	608 00	601 60
Scoria block spaces	120 00	120 00	320 00		
Sand spaces	672 50	641 25	720 00	640 00	480 00
Stone spaces	64 00				48 00
Brick spaces	120 00	73 00	18 00		
Small boat spaces	50 00	50 00	50 00		50 00
Laurier pier spaces	50 00				
Coal platforms		51 48	655 38	188 40	
Piling pig iron			330 90		
Space for building dredge			50 00		
Lunch counter spaces				45 00	145 00
	22,610 86	21,534 56	34,125 88	35,405 03	35,893 31

EXHIBIT 16.

HARBOUR COMMISSIONERS OF MONTREAL.

RENTALS OF TRACKS, LAND, SPACES, ETC.

	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Rental of Office—					
Department of Railways and Canals	400 00				
Total rental of office	400 00				
Rental of Tracks—					
Grand Trunk Railway	6,823 46	5,091 20	5,340 34	5,340 34	5,340 34
Canadian Pacific Railway	1,928 97	159 01	465 82	80 49	241 47
Canadian Northern Railway	814 39		738 63	738 62	738 62
Locomotive and Machine Company	255 70	255 70	255 70	255 70	255 70
Intercolonial Coal Mining Company	192 16	168 14	160 04	192 04	192 04
Nova Scotia Steel Company		131 30	242 42	242 42	299 24
Montreal Southern Counties Railway			48 75	90 00	90 00
Inverness Railway Company	75 75				
Canada Cement Company					182 77
Total rental of tracks	10,090 43	5,805 35	7,251 70	6,939 61	7,340 18
Rental of Land and Spaces—					
Dominion Textile Company	250 00	250 00	250 00	250 00	1,250 00
E. Chausse Company	100 15				
St. Lawrence Sugar Refining Co.	126 00				
James J. Murphy	500 00				
W. J. Sharples	187 50				
Miscellaneous	92 51			12 00	
Total rental of land and spaces	1,256 16	250 00	250 00	262 00	1,250 00
Rental of Coal Towers—					
Dominion Coal Company	1,886 44	1,886 44	1,886 44	1,886 44	
Total rental of coal towers	1,886 44	1,886 44	1,886 44	1,886 44	
Rental of Laporte Bridge—					
City of Montreal		549 73	421 56		632 34
Total rental of Laporte bridge		549,73	421 56		632 24
Grand Total	13,633 03	8,491 52	9,809 70	9,088 05	9,222 52

EXHIBIT 17.

HARBOUR COMMISSIONERS OF MONTREAL.

ANALYSIS OF MATERIAL, ETC., PURCHASED.

	1907.		1908.		1909.		1910.		1911.	
	$ cts.		$ cts.		$ cts.		$ cts.		$ cts.	
Coal	24,899 22		19,631 56		18,203 90		34,081 70		58,143 14	
Sand	3,872 25		6,656 42		1,917 06		10,633 15		18,508 52	
Cement	15,864 43		36,233 65		8,946 04		45,865 50		61,911 92	
Concrete Stone	10,273 34		19,993 70		10,088 36		42,692 97		51,365 56	
Macadamising Stone	6,214 77		4,720 32		.....		.....		3,363 84	
Timber	14,992 66		51,733 65		38,074 72		170,893 94		111,533 82	
Machine Shop Stock	24,061 65		16,267 42		14,801 56		44,521 62		63,507 14	
Railway Stock	22,971 00		3,861 39		6,717 00		24,380 32		22,206 66	
Shipyard Stock	1,878 82		807 17		1,077 13		2,198 29		3,636 48	
Harbour Yard Stock	10,753 57		6,889 17		7,658 31		35,421 65		24,313 36	
Plant	34,627 12		90,662 19		54,345 06		81,852 90		89,170 91	
Paving Blocks	47,529 00		49,545 49		3,444 00		.....		212 00	
Filling C.P.R. (Earth)	.....		.....		.....		.....		37,000 00	
Maintenance, General	8,457 98		1,606 66		3,708 83		9,264 35		6,251 24	
		$ 226,395 81		$ 308,608 79		$ 168,981 97		$ 501,806 39		$ 551,124 59
Victoria Pier and Market Basin	.....		.....		.....		.....		31,372 90	
Rent of Dredge (International)	.....		.....		.....		.....		14,700 00	
Elevator No. 1	8,578 17		19,861 63		23,372 05		22,167 63		20,054 12	
Elevator No. 2	.....		.....		.....		190,783 10		424,503 48	
Floating Elevator	.....		.....		.....		.....		1,280 40	
Elevator Conveyor System	33,358 57		178,882 76		168,867 72		.....		.....	
Grain Elevator No. 1 (Construction)	1,880 00		.....		.....		.....		.....	
Electric Hoist	.....		.....		.....		9,215 42		9,629 50	
Explosives	5,702 72		7,646 95		2,317 81		2,833 38		4,204 31	
Bridge, King Edward Pier	.....		.....		.....		.....		7,879 23	
Railway Tracks	.....		.....		475 45		2,448 89		6,133 71	
Victoria Pier Shed Piling	.....		.....		.....		.....		54,613 24	
Steel Bridge	.....		.....		.....		.....		75,042 96	
New Harbour Yard	.....		.....		.....		.....		42,912 92	
Tarte Pier Shed	.....		.....		.....		.....		90,908 78	
Lighting Wharves	7,597 68		8,284 97		8,870 25		8,457 60		9,385 45	
Steel Shed	1,185,228 04		755,581 98		40,245 29		.....		.....	
New Marine Tower	.....		.....		.....		22,475 95		.....	
Tug *Allan*	.....		.....		.....		.....		122,797 22	
High Level Railway Filling, etc	.....		.....		.....		84,164 94		.....	
Construction, General	16,684 96		9,542 03		22,846 73		11,928 39		22,424 07	
		1,259,030 14		979,800 32		266,995 30		354,475 30		937,842 29
		$1,485,425 95		$1,288,409 11		$ 435,977 27		$ 856,281 69		$1,488,966 88

EXHIBIT 18.

HARBOUR COMMISSIONERS OF MONTREAL.

ANALYSIS OF PAY ROLL.

	1907.	1908.	1909.	1910.	1911.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Engineering Staff	21,713 61	24,079 76	21,263 60	20,171 06	17,347 78
Superintending staff	14,762 31	15,629 65	15,314 44	15,503 31	18,030 38
Harbour extension staff				13,288 00	15,221 66
Elevator No. 1	10,506 45	17,938 86	25,734 00	26,782 46	28,160 56
Elevator No. 2				121,769 11	423,948 84
Harbour yard	8,198 02	7,634 64	5,909 35	5,609 53	6,484 25
Ship yard	18,850 47	21,310 72	17,190 97	33,660 17	48,533 28
Machine shop	17,674 38	17,814 80	18,121 15	30,169 49	43,314 82
Timber room	10,237 09	14,466 99	11,989 37	16,269 19	20,431 47
Floating elevator				10,820 37	14,902 85
Dredging	40,259 90	39,768 66	39,146 04	70,543 79	121,277 95
Shed maintenance			4,176 32	3,927 44	4,078 34
Harbour maintenance and repairs	48,244 85	48,140 11	34,400 51	25,512 00	26,365 44
Railway maintenance and traffic	12,822 30	16,213 29	6,072 58	6,638 24	10,765 14
Electric hoist maintenance					890 36
Floating crane			1,788 15	2,405 62	3,350 70
Elevator conveyor equipment	6,083 28	18,636 42	8,480 43		
Construction general	110,550 05	117,815 45	66,184 99	217,663 58	267,871 36
Total engineering department	319,902 71	359,449 35	275,771 90	620,733 36	1,070,974 18
Traffic department	22,863 63	26,207 53	29,097 01	37,647 10	41,815 86
Administrative staff	24,572 39	26,017 99	26,433 08	29,798 10	31,597 34
	367,338 73	411,674 87	331,301 99	688,178 56	1,144,387 38
Commissioners salaries	17,000 00	17,000 00	17,000 00	17,000 00	17,000 00
	384,338 73	428,674 87	348,301 99	705,178 56	1,161,387 38

EXHIBIT 19.

HARBOUR COMMISSIONERS OF MONTREAL.

COMPARATIVE LABOUR RATE STATEMENT.

	Last week of June.				
	1907.	1908.	1909.	1910.	1911.
	Per hour.	Per hour.	Per hour.	Per hour.	Per hour.
Dredging Fleet—					
Captains	† $60 00	† $60 00	† $60 00	† $60 00	† $65 00
Engineers	† 70 00	† 70 00	† 70 00	† 70 00	0 35
Assistant engineers	0 25	0 25	0 25	0 25	0 27½
Firemen	0 19	0 19	019	0 20	0 20
Deck hands	0 17	0 17½	017½	0 17½	0 18½
Watchmen	* 1 70	* 1 75	* 1 75	* 1 75	* 1 85
Cooks	† 14 50	† 14 50	† 14 50	* 14 50	† 15 50
Cranesmen	0 32½	0 32½	0 32½	0 32½	0 35½
Foreman-Drill boat	† 124 00	† 124 00	† 124 00	† 124 00	† 135 00
Blasters	0 25	0 25	0 25	0 25	0 27
Drillers	0 22½	0 22½	0 22½	0 22½	0 25
Blacksmiths	0 27	0 27	0 27	0 27	0 27
Smiths helpers	0 18	0 18	0 18	0 18	0 20
Machine Shop, Ship Yard, etc.—					
Machinists	22½–27	22½–27	22½–27	22½–27	25–30
Drillers	0 20	0 20	0 20	0 25	0 27½
Riggers	0 20	0 22½	0 22½	0 22½	0 25
Handymen	0 19½	0 19½	0 19½	0 20	0 22
Firemen	0 22½	0 22½	0 22½	0 22½	0 21
Watchmen	* 1 70	* 1 75	* 1 75	* 1 75	* 1 85
Blacksmiths	26–33	26 –33	26 –33	26 –35	28½–35
Blacksmiths helpers	0 17	0 17½	0 17½	0 17½	0 22
Carpenters	0 22½	0 25	0 25	0 25	0 27
Labourers	0 17	0 17½	0 17½	0 17½	0 18½
Wharves and Shore Work—					
Foremen	0 22½–27	0 25 –28	0 22½–28	0 22½–30	0 25–30
Sectionmen				0 22½	0 25
Watchmen	* 1 70	* 1 75	* 1 75	* 1 75	* 1 85
Mechanics	0 22½	0 22½	0 22½	0 22½	0 27
Carpenters	0 22½	0 25	0 25	0 25	0 27
Handymen	0 18½	0 20	0 20	0 20	0 22
Labourers	0 17	0 17½	0 17½	0 17½	0 18½
Blacksmiths	0 22½	0 22½	0 22½	0 22½	0 27
Carters	0 25	0 25	0 25	0 25	0 30

*Per day. †Per month.

EXHIBIT 20.

HARBOUR COMMISSIONERS OF MONTREAL

SCHEDULE OF SALARIES OF PERMANENT STAFF AT DECEMBER 31, 1911.

	$ cts.	$ cts.
Harbour Commissioners—		
G. W. Stephens	7,000 00	
L. E. Geoffrion	5,000 00	
C. C. Ballantyne	5,000 00	
		17,000 00
Harbour Master—		
Jas. McShane, Harbour Master, salary	3,500 00	
" allowance, horse keep.	400 00	
P. Bourassa, Deputy Harbour Master.	2,500 00	
" allowance, horse keep.	400 00	
		6,800 00
Pension Roll—		
W. J. Sproul, allowance	1,200 00	
Mrs. George Young	600 00	
		1,800 00
Administrative Staff—		
(Secretary's Department)		
D. Seath, secretary	4,000 00	
W. J. Fennell, assistant secretary	1,800 00	
P. J. Trihey, clerk	1,500 00	
F. Massey, clerk	900 00	
		8,200 00
Paymaster and Wharfinger—		
R. A. Eakin, paymaster-wharfinger	2,300 00	
D. Stewart, assistant paymaster	1,200 00	
H. Sym, assistant wharfinger	1,200 00	
W. Weir, clerk	720 00	
		5,420 00
Customs Clerk—		
A. E. Beauvais, inspector wharfages	2,000 00	
P. V. Seath, asst. inspector wharfages.	1,200 00	
		3,200 00
Wharf Offices—		
R. A. Elliott, checker	780 00	
J. Harrison, constable	780 00	
T. Bazinet, constable	780 00	
		2,340 00
General—		
T. Glennon, messenger	700 00	
Miss Larose, operator	360 00	
H. Leclaire, caretaker	780 00	
		1,840 00
Traffic Department—		
J. Vaughan, superintendent	3,500 00	
R. L. Mercier, chief clerk	1,200 00	
A. M. Bechard, clerk	660 00	
J. P. Flynn, acting yard master	1,500 00	
W. Goldsmith, assistant yard master	1,500 00	
		8,360 00
Purchasing Agent—		
L. N. Archambault, purchasing agent	1,600 00	
		1,600 00
Engineering Department—		
J. Kennedy, consulting engineer	4,000 00	
T. W. Cowie, chief engineer	5,000 00	
J. E. Primeau, Stenographer	900 00	
		9,900 00
Resident and Assistant Engineers—		
A. D. Swan, resident engineer	4,000 00	
F. L. Gagnon, asst. resident engineer	2,000 00	
E. N. Brietzeke, engineer	1,800 00	
F. W. Harvie, engineer	1,800 00	
F. G. Ryan, engineer	1,500 00	
J. G. Reed, engineers assistant.	1,200 00	
O. Heroux, chauffeur	840 00	
		13,140 00

HARBOUR COMMISSIONERS OF MONTREAL—*Continued.*

SCHEDULE OF SALARIES OF PERMANENT STAFF AT DECEMBER 31, 1911—*Continued.*

	$ cts.	$ cts.
Cost Department—		
George Smart, secretary-accountant	2,000 00	
F. Hurtubise, bookkeeper	1,200 00	
H. Labrecque, clerk	750 00	
		3,950 00
Engineering Staff—		
J. F. Ruel, draughtsman	720 00	
P. Leclaire, designer and draughtsman	1,500 00	
		2,220 00
Construction Works—		
P. McMullin, general foreman	1,500 00	
P. O'Brien, foreman, wharf works	1,080 00	
		2,580 00
Time-keeper Department—		
J. W. Creighton, time-keeper	1,200 00	
" horse-keep	400 00	
J. Drapeau, asst. time-keeper	940 00	
		2,540 00
Wharf Stock—		
A. Beauregard, cost clerk	1,080 00	
		1,080 00
Harbour Yard—		
P. A. Goulet, store -keeper	1,000 00	
		1,000 00
Timber Boom and Saw Mill—		
W. R. Lunan, inspector	1,500 00	
		1,500 00
Harbour Repairs and Maintenance—		
W. Porteous, foreman	1,000 00	
		1,000 00
Floating Elevator—		
J. Hunault, foreman	1,320 00	
		1,320 00
Tarte Pier Shed—		
L. Duplessis, inspector	1,092 00	
		1,092 00
Elevator No. 1—		
J, Nehin, superintendent	2,600 00	
J. P. McLean, asst. superintendent	1,260 00	
A. St. Germain, foreman	1,260 00	
E. Salter, chief electrician	1,200 00	
J. Hubert, asst. electrician	900 00	
E. Piche, asst.-electrician	900 00	
F. Patenaude, weighman	780 00	
T. Donoghue, weighman	780 00	
J. Lakin, weighman	780 00	
J. B. Chabot, clerk	900 00	
E. Audrian, machine man	780 00	
J. O'Connor, machine man	780 00	
T. Nolines, millwright	960 00	
A. Jennings, conveyer foreman	960 00	
A. Bray, conveyerman and rope splicer	780 00	
		15,620 00
Floating Crane—		
F. L. Castel, Fleet Captain	1,200 00	
		1,200 00
Shed Maintenance—		
M. Clermont, foreman	1,085 00	
M. W. Clifton, foreman	1,085 00	
		2,170 00
Machine Shop—		
Geo. Yates, machine superintendent	2,200 00	
W. Robitaille, asst. supt. dredging fleet	1,800 00	
R. Appleton, draughtsman, special dredging construction	1,200 00	
O. Trudeau, foreman, ship yard	1,200 00	
A. Lemay, foreman, machine shop	1,200 00	
P. Roberts, night asst. to mach. supt.	1,020 00	
G. B. Earle, store-keeper	1,320 00	
		9,940 00
Coal Barge—		
Jas. Smith, captain	816 00	
		816 00

EXHIBIT 21.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF CAPITAL ASSETS BY LEDGER ACCOUNTS ADDITIONS DURING FIVE YEARS.

	Balance Jan. 1, 1907.	Addition during period.	Balance Dec. 31, 1911.
	$ cts.	$ cts.	$ cts.
Land and Buildings—			
Real Estate No. 2....	82,656 90	275,00	82,931 90
" No. 4..	37,632 87	25 00	37,657 87
" No. 5....	.....	13,141 05	13,141 05
Balance Rafferty Property.		62,000 00	62,000 00
Harbour Yard and Engine House.....		66,662 76	66,662 76
Engine House.....		7,712 45	7,712 45
Office Building (advance to Thackeray).		3,000 00	3,000 00
	120,289 77	152,816 26	273,106 03
Harbour of Montreal and Dredging—			
Harbour of Montreal.....	1,487,652 66	12,144 82	1,499,797 48
Harbour Improvements.....	1,243,518 46	377,689 54	1,621,208 00
New Approach Improvements..	75,384 37	3,164 89	78,549 26
Eastern Section Improvments.....	.....	396,565 07	396,565 07
Harbour Extension.....	.....	8,136 69	8,136 69
Harbour Dredging Fleet.....	347 02	(Less)—347 02	.....
Dredging.....	843,023 54	10,530 80	853,554 34
Ship Channel.....	203,119 49	36,233 37	239,352 86
Dredging and Filling.....	.....	183,809 29	183,809 29
Channel through Through Shoals, Sec. 56–59.	.....	12,365 54	12,365 54
Spoil Bank Sec. 12.....	1,766 59	2,257 90	4,024 49
" " 55.....	25,498 86	38,059 99	63,558 85
Reconstructing Raceway Section 7.....	.....	10,432 35	10,432 35
Raceway No. 1.....	.....	10,964 12	16,964 12
	3,880,310 99	1,108,007 35	4,988,318 34
Harbour Railway and Tracks—			
Harbour Railway.....	342,543 61	120,435 65	462,979 26
High Level Railway.....	.....	594,050 17	594,050 17
Great Northern Ry.....	35,160 16	1,233 67	36,393 83
Dominion Coal Co's. Tracks.....	26,949 27	187 64	27,136 91
Railway Embankment Sec. 56–60.....	.....	12,813 73	12,813 73
	404,653 04	728,720 86	1,133,373 90
Sheds—			
New Steel Sheds.....	1,297,637 91	2,042,378 23	3,340,016 14
Permanent High Level.....	.....	69,206 39	69,206 39
" Tarte Pier.....	.....	92,387 56	92,387 56
Electric Hoist Sheds 11 and 12.	.....	11,628 13	11,628 13
Wiring Sheds.....	.....	477 01	477 01
Customs Duty Refunded..	.....	Less 48,587 77	less 48,587 77
	1,297,637 91	2,167,489 55	3,465,127 46

HARBOUR COMMISSIONERS OF MONTREAL—*Continued.*

STATEMENT OF CAPITAL ASSETS BY LEDGER ACCOUNTS ADDITIONS DURING FIVE YEARS—*Continued.*

	Balance Jan. 1, 1907.	Addition during period.	Balance Dec. 31, 1911.
	$ cts.	$ cts.	$ cts.
Wharves, Piers and Basins—			
Mackay Pier	24,340 61	69 12	24,409 73
Victoria Pier	60,361 52		60,361 52
Victoria Foot Bridge	27 00	8,774 57	8,801 57
" and Market Basin		595,075 56	595,075 56
Dominion Coal Co.	9,453 48	42,990 24	52,443 72
Vulcan Wharf		101,093 02	101,093 02
Windmill Point Basin	251,717 07	2,700 00	254,417 07
" Wharf	372,906 72	20,005 66	392,912 38
" Raising	910,278 18	13,410 08	923,688 26
Piling Wharves, Sec. 21	7,403 02		7,403 02
New Wharves, Sec. 23–24	101,502 02	28,811 54	130,313 56
Longue Point	115,409 91		115,409 91
Guard Pier Construction	291,529 54		291,529 54
Western Wharf, Longue Point	7,886 27		7,886 27
Clearing O. W. Wharf Victoria Pier	3,217 54		3,217 54
New Wharf, Sec. 35		252,213 47	252,213 47
Piling Wharves		2,149 47	2,149 47
Elgin Basin		1,273 15	1,273 15
Deep Water Berth	78,987 42		78,987 42
Rebuilding Culverts, Sec. 5		16,116 68	16,116 68
Hochelaga Construction	745,576 22	221 66	745,797 88
	2,980,596,52	1,084,904 22	4,065,500 74
Grain Elevators and Conveyor System—			
Elevator No. 1 Construction	723,347 55	420,365 45	1,143,713 00
" 1 Marine Power		22,475 95	22,475 95
" 2 Part 1		168,693 78	168,693 78
" 2 Part 2		1,154,900 21	1,154,900 21
" 2 Accident Account		2,887 33	2,887 33
" 2 Insurance Account		215 62	215 26
Floating Elevator		96,700 00	96,700 00
New Transporters		19,143 95	19,143 95
Elevator Conveyor System		426,127 47	426,127 47
	723,347 55	2,311,509 76	3,034,857 31
Plant Account—			
Harbour Plant Account	295,792 53	26,312 78	322,105 31
Traffic Dept. Plant		55,828 03	55,828 03
New Floating Crane		130,506 46	130,506 46
General Improvement Plant Account		243,076 17	243,076 17
Gilbert Dredge		45,050 00	45,050 00
Sunken Dredge No. 1		3,545 67	3,545 67
New Lanterns		4,822 89	4,822 89
Concrete Screws	424 34	(less) 424 34	
Drilling and Blasting	182 65	(less) 182 65	
S. S. Marshall for Sunken Dredge		(less)16,691 56	(less)16,691 56
	296,399 52	491,843 45	788,242 97
Miscellaneous—			
Chart Account	2,381 70		2,381 70
McGill St. Flood Gate		2,405 90	2,405 90
Work in Progress		23,073 37	23,073 37
New Chart Account		2 40	2 40
Maisonneuve Injunction		231 00	231 00
R. C. H. Dorian		7,371 76	7,371 76
Board of Consulting Engineers		3,400 00	3,400 00
Flood Wall Railing		467 85	467 85
Dry Dock	5,468 06	176 00	5,644 06
Dynamite Explosion		217 70	217 70
Signal Service Station		249 30	249 30
	7,849 76	37,595 28	45,445 04
Total	9,711,085 06	8,082,886 73	17,793,971 79

EXHIBIT 22.

HARBOUR COMMISSIONERS OF MONTREAL.

SUMMARY OF DEBENTURES HELD BY GOVERNMENT AND PUBLIC.

Series.	Date of Maturity	Act of Parliament.	Amount Authorized under Act.	Rate of Interest	Amount Received to Dec. 31, 1911.	Balance of Amount Authorized
To the Government:			$ cts.		$ cts.	$ cts.
"K"	July 1, 1921	Act 59 Victoria Chap. 10 Sec. 3..	2,000,000 00	3½%	2,000,000 00	—
"L"	" 1, 1926	" 61 " " 47 " 2..	2,000,000 00	3 %	2,000,000 00	—
"M"	" 1, 1927	" 1 Edw. VII. " 9 " 3..	1,000,000 00	3 %	945,000 00	55,000 00
"N"	" 1, 1929	" 3 " " 36 " 3..	3,000,000 00	3 %	3,000,000 00	—
"S"	" 1, 1932	" 6-7 " " 30	3,000,000 00	3 %	3,000,000 00	—
"P"	" 1, 1931	" 6 " " 35	250,000 00	3 %	250,000 00	—
"T"	" 1, 1935	" 9-10 " " 40	6,000,000 00	3½%	3,540,000 00	2,460,000 00
			17,250,000 00		14,735,000 00	2,515,000 00
To the Public:			$ cts.		$ cts.	
"A"	July 5, 1910	Act 36 Victoria Chap. 61 Sec. 22.	100,000 00	5%	100,000 00	
"B"	" 5, 1913	" 18 " " 143 " 29	200,000 00	5%	200,000 00	
"C"	" 5, 1914	" 18 " " 143 " 29	200,000 00	5%	200,000 00	
"D"	" 5, 1915	" 18 " " 143 " 29	100,000 00	5%	100,000 00	
"E"	" 5, 1915	" 36 " " 61 " 22	100,000 00	5%	100,000 00	
"F"	" 5, 1917	" 18 " " 143 " 29.	235,000 00	4%	235,000 00	
"G"	" 5, 1918	" 36 " " 61 " 22	300,000 00	4%	300,000 00	
"H"	" 5, 1921	" 36 " " 61 " 22	407,000 00	4%	407,000 00	
"I"	" 5, 1924	" 18 " " 143 " 29	330,000 00	4%	330,000 00	
			$1,972,000 00		$1,972,000 00	
Less Series "A" redeemed July 5, 1910..					100,000 00	
					1,872,000 00	
Total amount of Debentures issued to Public and Government..					$16,607,000 00	

EXHIBIT 23.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF ALLOTMENTS, LEASES AND PERMISSIONS GRANTED BY BY-LAWS IN FORCE DECEMBER 31, 1911.

By-Law Number.	Description of Property.	Name of Lessees or Allottees.	Period of Lease.	Date of Maturity.	Consideration.	Remarks.
ALLOTMENTS -						
81	Lower portion of Windmill Point Wharf.	Grand Trunk Railway...	40 years, renewable.	July 4, 1942.....	Grand Trunk Railway to build two Grain Elevators, etc.	
82	Upstream portion of east side Windmill Point Wharf.	Grand Trunk Railway....	10 years.....	.....	.....	No leases granted; property is rented, but held at the pleasure of the Harbour Commissioners. Commissioners are empowered to make Leases for 10 years under By-Laws.
83	Portion of Wharf, east side Windmill Point.	Dominion Coal Co.....	10 years.....	.....	.....	
84	Portion of Wharf; west side Windmill Point.	Intercolonial Coal Co....	10 years.....	.....	.....	
85	Two areas of Wharf; west side of Windmill point.	Nova Scotia Coal Co. ..	10 years	.....	.....	
LEASES—						
108	Sundry pieces of land at Sections 21-32.	Canadian Pacific Railway	40 years, renewable.	Sept. 11, 1951...	$100,000.00	Consideration payable on or before Sept. 30, 1911.
86	Sections 27 and 28.....	Canadian Pacific Railway	40 years, renewable.	Sepr. 11, 1951...	.....	This Lease was cancelled and superseded by Lease under By-Law 108.
87	Two strips of land.....	Dominion Park Co. Ltd..	40 years, renewable.	Dec. 31, 1946...	$1 per annum...	
88	Land on Sections 44-45	St. Lawrence Sugar Refining Co., Ltd.	40 years, renewable.	Nov. 22, 1947...	$1 per annum..	Consideration payable November 22nd each year.
102	Vulcan Wharf; 450 feet at Sections 71-72.	Canada Cement Co. Ltd.	10 years.....	.....	.....	If wharfage dues on goods landed on wharf do not amount to $6,000 00 per annum, the Company to pay any deficiency.
107	Strip of land in Sections 40 and 41.	Dominion Textile Co. Ltd.	40 years, renewable.	April 30, 1951...	$2,000 per annum..	Consideration payable in half-yearly amounts of $1,000 each on May 1st and November 1st.

EXHIBIT 23—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL. *Continued.*

STATEMENT OF ALLOTMENTS, LEASES AND PERMISSIONS GRANTED BY BY-LAWS IN FORCE DECEMBER 31, 1911.—*Continued.*

Number By-Law.	Description of Property.	Name of Lessees or Allottees.	Period of Lease.	Date of Maturity.	Consideration.	Remarks.
	LEASES—*Continued.*					
111	Areas of land to be reclaimed by the Commissioners; opposite Sections 50 57.	Canadian Vickers, Ltd....	50 years, renewable	1962	. . . . .	Rental to be $17,500 for the first ten years, such rental to accrue two months after the delivery of the lands in a fit condition. After the first ten years the rental to be $7,500 per annum, plus an interest in the net profits of the Company.
106	Ferry Wharf at St. Helen's Island.	City of Montreal . . .	20 years.	loseofNavigation, 1930.	$1,250 per annum. .	Consideration payable in half-yearly amounts of $625 each July 1st and October 1st. This lease has not yet been signed.
112	Piece of land, being the widened portions of Common and Commissioner Streets.	City of Montreal.. ...	11 years.	. .	. . . . .	This By-Law was passed to enable the Commissioners to act when occasion arose. No lease yet in force.
None	Laporte Bridge at Victoria Pier,....	City of Montreal.....	20 years.	1926	5% per annum on actual cost of bridge, which cost not to exceed $11,000.00.	Consideration payable November 1 and May 1.
None	Railway Track, about 425 feet in length.	Montreal and Southern Counties Ry.	Subject to one year's notice.	.....	$1,000 per measured mile per annum.	Consideration payable half-yearly.
	PERMISSIONS—					
91	Permission to construct and maintain on Harbour property the footing of a retaining wall, Sections 23 and 25.	Canadian Pacific Railway	40 years..	1948		

EXHIBIT 24.

HARBOUR COMMISSIONERS OF MONTREAL.

COMPARATIVE STATEMENT OF DREDGING COSTS.

	1907.			1908.			1909.			1910.			1911.		
	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.
		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.
Dredges—															
Repairs and maintenance			18,315 57			12,247 13			8,320 48			18,866 04			30,439 79
Fuel			3,727 50			3,864 90			3,558 70			6,212 00			10,455 85
Wages of crews			9,983 13			9,616 63			9,265 77			17,017 63			33,635 80
Proportion of salaries of staff			1,018 22			918 66			1,180 61			1,802 95			1,966 13
Cost			33,044 42			26,647 32			22,325 56			43,898 62			76,497 57
Less Credits			660 00			437 50									4,897 50
	350½	92 39	32,384 42	362	72 40	26,209 82	352	63 42	22,325 56	648	67 59	43,898 62	1,083	66 11	71,600 07
Floating Derricks—															
Repairs and maintenance			12,510 19			17,407 11			17,475 48			14,428 24			21,466 35
Fuel			4,400 00			3,630 90			3,106 50			7,262 77			9,614 80
Wages of crews			15,275 29			15,010 53			11,818 68			26,486 53			37,043 28
Proportion of salaries of staff			1,054 13			1,356 47			1,742 11			2,092 93			2,267 41
Cost			33,239 61			37,405 01			34,142 77			50,270 47			70,391 84
Less Credits			2,505 00			2,222 10			7,695 00			1,519 18			4,240 00
	645	47 65	30,734 61	684½	56 63	35,182 91	572	46 24	26,447 77	1,333	36 57	48,751 29	696	41 50	66,151 84
Tugs—															
Repairs and renewals			7,175 97			5,682 27			7,982 18			7,918 90			25,001 47
Fuel			8,043 75			8,474 70			9,819 80			12,804 55			22,575 53
Wages and crews			10,660 73			10,503 15			12,350 70			20,274 75			41,554 17
Proportion of salaries of staff			859 92			1,014 67			1,811 63			1,799 83			3,073 07
Cost			26,740 37			25,674 79			31,964 31			42,798 03			92,204 24
Less Credits			1,400 00			2,168 07			4,500 00			5,656 87			9,976 29
	685	36 99	25,340 37	682¾	34 43	23,506 72	765	35 90	27,464 31	1,224	30 34	37,141 16	2,529	36 45	82,227 95

EXHIBIT 24—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL.—*Continued.*

COMPARATIVE STATEMENT OF DREDGING COSTS.—*Continued.*

	1907.			1908.			1909.			1910.			1911.		
	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.	Days.	Cost per Day.	Amount.
		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.		$ cts.	$ cts.
Scows and sundry plants—															
Repairs and maintenance			24,029 94			22,527 41			15,377 78			38,413 89			38,120 86
Fuel and wages of crews						17 05			1,605 12			1,353 50			1,949 52
Proportion of salaries of staff			302 32			459 53			326 24			532 65			954 07
Cost			24,332 26			23,003 99			17,309 14			40,300 04			41,024 45
Less Credits			180 00			1,144 95			1,252 50			1,873 54			3,850 67
			24,152 26			21,859 04			16,056 64			38,426 54			37,173 78
Total			112,611 66			106,758 49			92,294 28			168,217 61			257,153 64
Miscellaneous—															
Government dredge, tug and derrick			4,899 67			3,577 99									14,685 00
Tug St. Peter employed as fire protection			7,562 40			8,093 42									
Drilling and blasting boat							102	96 76	9,869 46	150	76 65	11,512 46	171	86 90	14,860 13
			125,073 73			118,429 90			102,163 74			179,730 07			286,698 77
Less dredging blasting done for the Government									45,681 51						
Grand total			125,073 73			118,429 90			56,482 23			179,730 07			286,698 77
Work done by dredging fleet for other Departments															

EXHIBIT 25.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF DREDGING AS SHOWN BY THE ENGINEERING DEPARTMENT.

(Cubic Yards).

——	1907.	1908.	1909.	1910.	1911.	Total.
Basin Section 12 N–20 N.—						
Trap and Blasted Rock	1,050.			400		1,450
Gravel, Sand and Stone		12,804				12,804
Rock Cleaning Bottom			5,434			5,434
Basin Sections 12 S–14 S.—						
Blasted Rock	37,201	59,384		54,937		151,522
" " Shale Trap			43,914			43,914
Basin Sections 15 x 17 and 18.—						
Silt and Deposit	6,900					6,900
Blasted Rock	300					300
Basin Section 36 x 39—						
Gravel, Sand and Stone	51,175					51,175
Cribseats Sections 24 x 30 x 37.—						
Gravel, Sand and Stone	34,685	77,520		1,415		113,620
Blasted Rock						
Deepening at Coal Towers.						
Silt and Deposit	1,350					1,350
Ship Channel Section 33–45—						
Gravel, Sand and Stone	44,000					44,000
Hard-Pan, Sand-Silt			126,300			126,300
Shoal Section Dry Dock Basin 56 x 59—						
Gravel, Sand and Stone	79,460			122,192		201,652
Gravel, Silt, Clay, Hard Pan				385,650	818,042	1,203,692
Undermill Point Basin 4–5–11—						
Hard Rock, Loose Stone and Rock		37,165				37,165
Rock Cleaning Bottom			14,287			14,287
Loose Rock				3,900		3,900
Section 47.—						
Sand			1,200			1,200
Vulcan Wharf Section 71—						
Silt, Clay, Shale Rock			42,400			42,400
Diversion of Mackay Pier 15 S–16 S—						
Stones, Sand, Gravel				108,140		108,140
Victoria Pier Section 19—						
Stones, Sand, Gravel				106,725		106,725
Sand, Clay, Silt and Loose Rocks					20,087	20,087
Market Basin Section 20–23—						
Stones, Sand, Gravel				11,635		11,635
Stones, Sand and Loose Rocks					36,497	36,497
Silt and Deposit	1,200					1,200
Guard Pier S. S. 13–19—						
Silt, Stones and Loose Rocks					231,915	231,915
South Channel—						
Hard Pan, Stone and Boulder					139,545	139,545
General Dredging to obtain Filling—						
Blasted Rock and Mud					118,711	118,711
Total Cubic Yards	257,321	186,873	283,535	794,994	1,364,797	2,837,520
Total Cost per Year	$ 112,611 66	106,758 49	92,294 28	168,217 61	257,153 64	737,035 68
Cost per 100 Cubic Yards	43.76	51.40	39.52	21.17	18.94	25.97

EXHIBIT 26.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT OF TRANS-ATLANTIC AND MARITIME TONNAGE CLASSIFIED ACCORDING TO WHARFAGE RATES.

Rate.	1907.		1908.		1909.		1910.		1911.	
	Inward.	Outward.	Inward.	Outward.	Inward	Outward.	Inward.	Outward.	Inward.	Outward.
3 Cent		900,075		852,930		792,514		746,058	1,945	795,527
6 "	1,289,922	222,986	1,574,117	206,533	1,229,616	242,412	1,455,240	211,777	1,606,030	284,856
8 "	128,936	122,300	119,463	108,909	115,270	124,785	152,603	117,937	116,922	96,577
12 "	44,550	113,058	32,389	104,889	38,735	144,508	44,779	111,455	44,270	121,539
16 "	226,410	668	99,695	3,287	157,504	2,166	200,878	1,927	157,490	3,492
18 "	6,458		25,335		4,481		7,528			
20 "	471,692	153,066	360,662	159,976	425,873	254,116	551,570	175,450	583,118	193,139
Inward tonnage	2,167,968		2,211,661		1,971,479		2,412,598		2,509,775	
Outward tonnage		1,512,153		1,436,524		1,560,501		1,364,604		1,495,130
Total tonnage		3,680,121		3,648,185		3,531,980		3,777,202		4,004,905
Tonnage inwards as reported by Harbour Master—										
Trans-Atlantic	1,339,014		1,315,688		1,436,963		1,658,414		1,695,613	
Maritime Provinces	586,972		642,916		474,450		574,808		642,639	
	1,925,986		1,958,604		1,911,413		2,233,222		2,338,252	

EXHIBIT 27.

HARBOUR COMMISSIONERS OF MONTREAL.

STATEMENT SHOWING TENDERS RECEIVED FOR PRINCIPAL SUPPLIES USED DURING THE FIVE YEARS ENDING DECEMBER 31, 1911.

(*Name of the firm to which contract was awarded).

SAND.

Parties Tendering.	Quantity.	Price.	Remarks.
1907.	Cu. yds.	$ cts	
*J. E. Robillard	3,600	75	St. Andre River.
Montreal Sand Co	3,600	1 25	" "
1908			
*J. E. Robillard	3,000	65	St. Lawrence River.
Joseph Touzin	3,000	1 30	St. Maurice River.
1909.			
*Sorel Industrial Co	3,000	70	Richelieu River.
Philip Sansoucy	3,000	1 00	" "
Joseph Touzin	3,000	75	" "
Montreal Sand & Gravel Co	3,000	75	" "
J. B. Bonhomme Co	3,000	80	" "
Alfred Beauchemin	3,000	90	" "
1910.			
* Joseph Touzin	12,000	95	
Montreal Sand & Gravel Co	12,000	1 00	
1911.			
*Joseph Touzin	12,000	1 00	St. Maurice River.
J. E. Senecal	10,000	67½	St. Joseph de Sorel.
J. A. Aybram	12,000	1 38	St. Emelie.

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL.

COAL.

Parties Tendering.	Quantity.		Price.	
	Fleet.	Locomotive	Fleet.	Locomotive
1907–1908.				
*The Inverness Coal Co	Balance of three-year contract at $3.25.			
1908.	Tons.	Tons.	$	$
*Widnoon Coal Co		2,500		3·90
Dominion Coal Co		3,000		4·10
Andrew Baile		3,000		4·10
1909.				
*Nova Scotia Steel & Coal Co	5,000	2,000	3·50	3·50
Dominion Coal Co	5,000	2,000	3·85	3·85
International Coal Co	5,000	2,000	3·85	3·85
Carberry & Sons	5,000	2,000	4·2636	4·9736
Widnoon Coal Co	5,000	2,000	4·1072	4·5072
Geo. Hall Coal Co	5,000	2,000	3·9972	4·6274
Andrew Baile	5,000	2,000	4·3608	4·4774
Farquhar Robinson	5,000	2,000		4·47
1910–1911.				
*Nova Scotia Steel & Coal Co	Contract awarded to company for one year with the option to continue in 1910 and 1911, which option was exercised.			

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL.

CEMENT.

Year.	Parties Tendering.	Brand.	Quantity.	Price.	Remarks.
				Cts. per 100 lb.	
1907	*Francis & Hyde		18,000 bbls.	53	
	Wm. McNally & Co.		18,000 "	53	
1908	*Dillon's Limited	North's Condar, Belgium	7,050,000 lbs.	35⅝	Plus duty.
	Dillon's Limited	" "	2,350,000 "	38	"
	Alex. Bremner	International Canada	9,400,000 "	56	
	F. Hyde & Co.	" "	9,400,000 "	52½	In paper bags.
	" "	" "	9,400,000 "	55	In cotton bags.
	" "	Ironclad, U.S.A.	9,400,000 "	41	In paper bags.
	" "	"	9,400,000 "	42½	In cotton bags.
	Lakefield Portland Cement Co.	Monarch, Canada	9,400,000 "	45	To specification.
	" "	"	9,400,000 "	45½	Commissioners to assume responsibility for bags.
	Stinson Reeb Builders Supply Co.	Vulcan, Canada	9,400,000 "	43	
	" "	J. B. White Co., England	9,400,000 "	39	Plus duty.
	Wm. McNally & Co.	Johnstons' Elephant, Eng.	9,400,000 "	41	"
	"	Helderberg, U.S.A.	9,400,000 "	44	"
1909	*Lakefield Portland Cement Co.	Lakefield, Canada	2,250,000 "	33	In bags.
	" "	"	2,250,000 "	34¼	On cars.
	International Portland Cement Co.	International, Canada	2,250,000 "	38–85	In paper bags.
	Wm. McNally & Co.	Vulcan, Canada	2,250,000 "	39	"
	Thorn Cement Co.	Lehigh, Canada	2,250,000 "	38½	"
	International Portland Cement Co.	International, Canada	2,250,000 "	37–14	"
1910	*Lakefield Portland Cement Co.	Lakefield, Canada	30,000 bbls.	$36\frac{10}{100}$	In sacks.
	Canada Cement Co.	"	30,000 "	$36\frac{13}{100}$	In paper bags (contract awarded at 36c.)
	Dillon's Limited	North's Condar, Belgium	30,000 "	$44\frac{44}{100}$	In cotton sacks.
	"	" "	30,000 "	36½	In bond.
1911	*Canada Cement Co.	Lakefield, Camada	8,750,000 lbs.	50	Bags included, returnable and credited, at 10c. each.
	Wm. McNally & Co.	Vulcan Canada	8,750,000 "	37½	In bond.

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL.

UNBROKEN CONCRETE STONE.

Year.	Parties Tendering.	Section 23-25.	Section 39-40.
1907..	*Isaac Kent (tenders missing)		
1908..	*O. Martineau & Fils, Ltd. (tenders missing)		
1909..	*Hyde & Webster	*1,800—$1 00	*3,000—$0 95
	*Rogers & Quirk	1,800— 1 03	3,000— 0 95½
	Geo. C. Poupore	1,800— 1 10	3,000— 0 95
	*Martineau & Fils	*1,800— 0 98	3,000— 1 08
	Leger & Co.	1,800— 1 20	3,000— 1 20
	St. Laurent Quarries	1,800— 1 10 on cars	3,000— 1 10 on cars
	Chas. Strubbe	1,800— 1 20 "	3,000— 1 20 "

UNBROKEN STONE. BROKEN STONE.

Year.	Parties Tendering.	Section 19-25.	Section 35-41.	Section 19-26.
1910..	*Bishop Construction Co.	10,000—$1 10	*5,000—$1 10	*12,000—$1 25
	Hyde & Webster	10,000— 1 10	5,000— 1 10	12,000— 1 40
	P. Martineau & Fils	10,000— 1 10	5,000— 1 18	12,000— 1 48
	*Jno. P. Dixon	*10,000— 1 00	5,000— 1 05	
	Rogers & Quirk	10,000— 1 13	5,000— 1 13	
	Dominion Quarry Co.		5,000— 1 20	
	Geo. C. Poupore		5,000— 1 03	5,000— 1 40
	Laurentian Granite Co.	3,000— 1 25		

UNBROKEN BANC ROUGHE. UNBROKEN CONCRETE STONE.

Year.	Parties Tendering.	Section 4.	Section 20-22.	Section 38-40.	Section 20-33.	Section 39-46.
1911..	Jno. P. Dixon	600—$1 25	1,200—$1 05	1,200—$1 05	3,000—$0 88	3,000—$0 95
	*Martineau & Co.	*600— 1 24	*1,200— 1 04	*1,200— 1 05	3,000— 0 88	3,000— 1 18
	R. T. Heit & Co.	600— 1 15	1,200— 1 15	1,200— 1 15	3,000— 1 04	3,000— 1 04
	*Rogers & Quirk	600— 1 33	1,200— 1 23	1,200— 1 23	*3,000— 0 80	*3,000— 0 83
	O. Papierre	600— 1 70	1,200— 1 70	1,200— 1 70	3,000— 1 70	3,000— 1 70
	Jos. Gravel				3,000— 0 78	
	Geo. O. Poupore			1,200— 1 10		
	R. C. Dixon					3,000— 1 20

EXHIBIT 27—*Continued.*

THE HARBOUR COMMISSIONERS OF MONTREAL.

Year.	Parties Tendering.	Unbroken Stone.				Broken Concrete			
		Section 53—56.		Section 19—25.		Section 19—25.		Ballast Stone.	
		Tons.	$ cts.	Tons.	$ cts.	Tons.	$ cts.	Tons.	$ cts.
1911.	R. C. Dixon	7,000	1 00						
*	Maisonneuve Quarry Co.	*7,000	1 00	*5,000	1 00	13,000	1 50	10,000	1 50
*	Bishop Construction Co.	7,000	1 24	5,000	1 24	*13,000	1 40	10,000	1 40
	Jean Aybram							10,000	1 20
*	Standard Quarries Co.							*10,000	1 29
	Reynolds Co., Ltd					13,000	1 40	10,000	1 38
	O. Martineau Fils			5,000	1 03	13,000	1 48		
	Jno. P. Dixon	7,000	1 05	5,000	1 05				
	Rogers and Quirk	7,000	1 08	5,000	1 28				
	Jas. Brodie			1,000	1 40				

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL—*Continued.*

TENDERS RECEIVED FOR LUMBER.

Year.	Parties Tendering.	Round Hemlock No. 1.		Round Hemlock No. 2.		Round Hemlock No. 3.		Round Pine No. 4.		Round Pine No. 5.		Round Hemlock No. 6	
		Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.
1908.	Tenders missing.												
1909.		B.M.	$ cts.	Lin.	Cts.		Cts.		Cts.		Cts.		Cts.
Mar. 3	*O. Martineau Fils	287,000	11 75	78,248	9½	26,000	15	1,000	27	4,200	20	35,200	7
	W. H. Kelly & Co.	287,000	16 00	78,248	14	26,000	24½	1,000	55	4,200	45	35,200	7
	Papineau Lumber Co.	287,000	20 00	78,248	20	26,000	35	1,000	55	4,200	50	35,200	12
	Geo. Dansereau	287,000	16 00	78,248	13	1,000	28					35,200	8
	B. Grier	287,000				13,000	30					35,200	8½
1910.			Cts.		Cts.		Cts.		Cts.				
Apr. 26	*W. H. Kelly Lumber Co.	149,500	15½	37,500	18½	60,000	8	7,500	40				
	*Geo. Dansereau	24,750	14	18,750	25	30,000	8	7,500	40				
	Geo. Dansereau	10,000	20										
	Jos. Richard & Cie.					60,000	19	7,500	48				

*Contract awarded to W. H. Kelly Lumber Co., = No. 1, No. 2 and 30,000 ft. of No. 3.
Contract awarded to Geo. Dansereau = 30,000 ft. of No. 3 and No. 4.

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL—*Continued.*

TENDERS RECEIVED FOR LUMBER—*Continued.*

Year.	Parties Tendering.	Round Hemlock No. 1.		Round Hemlock No. 2.		Round Hemlock No. 3.		Round Spruce No. 4.		Round Hemlock No. 5.		Round Elm No. 6.	
		Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.
1910.			$ cts.		$ cts.		Cts.		$ cts.		Cts.		Cts.
July 28	*W. H. Kelly Lumber Co.	50,000	15 95	414,430	13 95	128,810	23½	75,000	19 00	60,000	7	1,200	45
	*Geo. Dansereau	50,000	16 00	207,215	17 00	64,504	22	75,000	20 00	60,000	8	.....	.....
	Richard & Boisvert	.....	.....	.....	.....	.....	.....	.....	.....	60,000	25	.....	.....
	Shearer, Brown & Wills	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Mason, Gordon & Co	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	G. C. Goodfellow	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
	Prefontaine & Cie	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

Year.	Parties Tendering.	Round Maple No. 7.		Railway Ties No. 8.		Pitch Pine No. 9.	
		Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.
1910.			$ cts.		Cts.		$ cts.
July 28	*W. H. Kelly Lumber Co.	15,000	25 00	15,000	42	.....	.....
	*Geo. Dansereau	.....	.....	15,000	55	175,046	44 00
	Richard & Boisvert	.....	.....	5,000	34	.....	.....
	Shearer, Brown & Wills	.....	.....	15,000	56	175,046	38 50
	Mason, Gordon & Co	.....	.....	.....	.....	175,046	35 25
	G. C. Goodfellow	.....	.....	.....	.....	175,046	38 00
	Prefontaine & Cie	.....	.....	.....	.....	175,046	45 00

*Contract awarded to W. H. Kelly Lumber Co.,
Contract awarded to Geo. Dansereau, 30,000 ft., No. 5.

EXHIBIT 27—*Continued.*

TENDERS RECEIVED FOR LUMBER—*Continued.*

Year.	Parties Tendering.	Round Hemlock No. 1.		Round Hemlock No. 2.		Round Hemlock No. 3.		Round Spruce No. 4.		Round Pine No. 5.		Round Elm No. 6.		Round Maple No. 7.	
		Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.	Quantity.	Rate.
1911.			$ cts.		Cts.		Cts.		$ cts.		Cts.		Cts.		$ cts.
June...	*W. H. Kelly & Co.	50,000	16 00	450,000	15½	128,810	24¾	75,000	22 00	7,500	44	20,000	45	15,000	30 00
	Papineau Lumber Co.	50,000	15 00	450,000	18	128,810	25	75,000	22 00	7,500	40	20,000	40	15,000	38 00
	*Geo. Dansereau	25,000	17 00	150,000	20	64,405	25	37,000	20 00	7,500	40	.....	.....	15,000	40 00
	Alf. Gamache	50,000	25 00	145,000	45	128,810	50	75,000	25 25	.....	.....	.....	.....	.....	.....

*Contract awarded to W. H. Kelly Lumber Co.,
Contract awarded to Geo. Dansereau for 7,500 ft. Pine No. 7.

Year.	Parties Tendering.	Douglas Fir Timber.													
		4 pieces 21x27x65.		2 pieces 24x24x60.		2 pieces 14x14x56.		3 pieces 21x21x38.		4 pieces 22x22x40.		2 pieces 24x24x70.		4 pieces 26x26x70.	
1911.			$ cts.		$ cts.		$ cts.		$ cts.		$ cts.		$ cts.		$ cts.
	Cameron & Co.	12,285	112 50	5,760	47 25	1,797	47 25	4,189	47 25	6,453	47 25	6,720	47 25	49,373	112 50
	*E. H. Lewis Lumber Co.	12,285	63 00	5,760	65 00	1,797	52 00	4,189	55 00	6,453	52 00	6,720	65 00	49,373	115 00
	Mason, Gordon & Co.	12,285	59 50	5,760	59 50	1,797	59 50	4,189	59 50	6,453	59 50	6,720	59 50	49,373	130 00

Year.	Parties Tendering.	Yellow Pine Timber.		Year.	Parties Tendering.	Yellow Pine Timber.	
		Quantity.	Price per Sq. Foot.			Quantity.	Price per Sq. Foot.
1911.		Ft. B.M.	$ cts.	1911		Ft. B.M.	$ cts.
April...	*Shearer, Brown & Wills	241,472	35 00	April...	Mason, Gordon & Co.	241,472	40 50
	G. C. Goodfellow	241,472	35 50		J. M. Redfern & Co.	241,472	39 45
	Cameron & Co.	241,472	35 75		Geo Dansereau	241,472	39 50
	Cameron & Co.	241,472	35 50				
	Mason, Gordon & Co.	241,472	39 00				

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EXHIBIT 27—*Continued.*

THE HARBOUR COMMISSIONERS OF MONTREAL—*Continued.*

TESTING MATERIAL.

	Parties Tendering.	Mill Inspection	Shop Inspection	Steel Castings	Cement	Sand.
		cts.	cts.			
1907.....	Canadian Inspection Co.....	20	25	.....	.....	.....
1908.....	Canadian Inspection Co.....	20	25	.....	.....	.....
1909.....	Canadian Inspection Co.....	20	25	.....	.....	.....

No tenders asked for during this period, Testing being made by The Canadian Inspection Co.

		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
1910....	* Canadian Inspection Co.....	20	20	25	2 75	1 50
	Duckworth & Baynes.....	25	25	25	7 00	1 50
	Milton Hersey Co.....	25	40	40	8 00	1 50
1911....	* Canadian Inspection Co.....	19	19	25	2 75	1 00
	Duckworth & Baynes.....	20	20	25	3 45	1 40
	Robert Hunt & Co.....	25	25	40	5 70	1 40
	Milton Hersey Co.....	.....	.....	.....	5 00	3 00

EXHIBIT 27—*Continued.*

HARBOUR COMMISSIONERS OF MONTREAL.

TENDERS FOR CASTINGS.

Year	Parties Tendering.	Mooring Posts and Grate Bars in Green Sand.	Machinery in Green Sand.	Machinery in Dry Sand or Loam	Machinery in Dry Sand or Loam or Charcoal Iron.	All Scrap Except Grate Bars.	Scrap Grate Bars.	Brass	Bronze	Steel Over 200 lbs.	Steel Under 200 lbs.	Steel Manganese.	Steel Scrap 2,240 lbs.
		cts	cts	cts.	cts.	$ cts.	$ cts.	cts.	cts.	$ cts.	$ cts.	$ cts.	$ cts.
1907 Mch..	Rubenstein Bros..							30	33				
	*W. R. Cuthbert & Co .							28	30				
	Estate P. Amesse ..	2¼	2¼	3	3	18 00	5 00						
	*Parker Foundry Co..	2½	2½	3	3	18 00	5 00						
	The Garth Co	2¼	2¼			14 00	4 00	28	29				
	Jno. McDougall.....												
	Caledonian Iron Works.....	2¼	3	3½	3¼	19 00				4 95	5 50	15	12 00
	*Montreal Steel Co.....												
1908 Mch.23	*P. Amesse Foundry Co....	2¼	2¼	3	3	18 00	5 00						
	*Mitchell & Phelan....							17¼	20				
	W. R. Cuthbert & Co....							21	23				
	The Garth Co.....	2½	2¼			15 00	5 00	27	30				
	Laurie Engine & Machine Co.	2½	2¼	3	3	15 00	6 00						
	John Dale.....							23	30				
	Canadian Iron & Foundry Co ..	2¼	2¼	2 15/16	3¼	17 00	9 00						
	Mount Royal Foundry	2¼	2¼	3..		16 25							
	Parker Foundry Co.	2½	2¼			18 00	5 00						
	Rubenstein Bros.....							20	25				
	*Montreal Steel Works.....									4 95	5 50	15	12 00
1909	Mount Royal Foundry	2¼	2¼	3	3	16 00	7 00						
	*Parker Foundry Co.	2½	2¼	3	3	18 00	5 00						
	P. Amesse Foundry Co.	2¼	2¼	3	3	18 00	5 00						
	Standard Foundry Co.....	2¼	3 to 4										
	Canadian Iron & Foundry Co ...	1 15/16	2¼	2¼	3	16 00	7 00						

	The Garth Co.	2¾	2¾	3¼	4	15 00	6 00	21	24				
	Lymburner Ltd.							21	25				
	*Mitchell & Phelan							17	19				
	Rubenstein Bros.							20	22				
	W. R. Cuthbert Ltd.							18	19½				
	*Montreal Steel Works									4 95	5 50	15	12 00
	Ontario Iron & Steel Co.									4 90	5 45		12 00
	Beaupre & Fils	2⅝	2⅝	3	4	16 50	9 00						
	Fonderie de Varennes	2⅝	2¾			17 00	10 00						
1910													
	Mount Royal Foundry	2¼	2¾	3	3¼	15 00	4 00						
	*P. Amesse Foundry Co.	2¼	2¼	3	3	18 00	5 00						
	Beaupre & Fils	2⅝	2⅝	3	4	15 00	8 00						
	Canada Iron Co.	2 1/10	2¼	2½	2¾	17 50	9 00						
	Standard Foundry Co.	2 1/10	3½			14 00	10 00						
	Parker Foundry	2½	2½	3	3	17 00	6 00			6 00	8 00		
	Ontario Iron & Steel Co.									4 90	5 45		
	*Londonderry Iron Co.									4 75	5 25	12	14 00
	Montreal Steel Works									4 95	5 50	15	14 00
	John Dale							20	25				
	*W. R. Mitchell							17	19				
	Rubenstein Bros.							18	20				
	W. R. Cuthbert & Co.							18	19½				
	Lymburner Ltd.							21	25				
	The Garth Co.	2½	2¾			14 00	5 00	22	27				
1911													
Feb.	Parker Steel Co.									4 95	5 50	15	14 00
	*Montreal Steel Co.												14 00
	Ontario Iron & Steel Co.	2·06⅛	2·54⅝	3 88	4 85	14 00	9 00	14	9	4 61¾	5 09¼	8·245	10 00
	Joliette Steel & Iron Co.	2·25	2·37½	3	3	17 00	7 00						
	Mount Royal Foundry	2·25	2·50	3	3	16 00	8 00						
	Beaupre Fils Co.	2·25	2⅝	3	3	20 00	12 00						
	*P. Amesse Foundry Co.							16·905	18½				
	*W. R. Cuthbert Co.							16·75	19				
	*Robert Mitchell Co.							17	19				
	Alex. R. Mitchell							18	22				
	Rubenstein Bros.							20	22				
	Canada Metal Co.									6 00	6 50		6 00
	International Gully Co.	2½	4	5	5½			19	22			30	
	Beauchemin & Fils												
	Valleyfield Iron Works	2·40	3·40	6	7			24	26				
	Miller Ltd.												
	Standard Foundry Co.	2¼	2½							4 75	5 25	12	14 00
	Londonderry Iron Co.									5 50	6 00		
	Parker Foundry Co.									4·851	5·3955		
	Taylor & Arnold												

PUBLIC SERVICE COMMISSION

1912

SPECIAL REPORTS ON DREDGING

Public Works Department

To His Royal Highness the Governor General in Council.

May it Please Your Royal Highness:—

The Public Service Commission have the honour to present a report of progress in an inquiry they are holding into the matter of dredging by and under the Department of Public Works.

In the decade between 1900 and the termination of 1910, about $19,000,000 was expended by the Department in dredging, not including the amount for purchase and improvement of departmental plant. In the last seven years of the period, the annual expenditure increased rapidly and continuously, and in 1910 it amounted to more than during the first four years of the decade. In the Maritime Provinces, in Quebec, and in Ontario, dredging is done each year in part by contractors and in part by departmental plant, and inquiry into the various expenditures has proven to be a task requiring much time, persistency and concentration on the part of the Commission and those persons whom it has employed in the investigation. Much remains to be done, but it is apparent that certain reforms should be undertaken at the opening of the dredging season for the current year, and, therefore, the Commission have considered it urgent to present a report.

By departmental regulation, all matters relating to dredging are under the supervision of the Assistant Chief Engineer of Public Works. The present occupant of this office has held it for little more than one year, but he has during that time made an earnest endeavour to procure the adoption of improved methods. Recently, he decided to withdraw from the Public Service, but, at the request of the Minister, he has consented to retain his office and the Commission feel that his experience will enable him to give good public service. They have had his evidence and opinion to assist them in their inquiry.

The Assistant Chief Engineer has a small staff in his office at Ottawa, directly under his personal control, and subordinate to him there is also what is known as the Dredging Branch of the Department, presided over by the General Superintendent of Dredging, with an Assistant Superintendent, and inside and outside assistants. This Branch, as now constituted, has no other work than the care and control of departmental dredging plant. This it exercises directly in respect of the plant in Ontario and Quebec, and through local superintendents in respect of the plant in the Maritime Provinces and British Columbia. In the Prairie Provinces the Resident Engineers superintend the plant.

The Commission find that the existing Assistant Engineer's staff requires some rearrangement to enable it to deal efficiently with dredging generally, and especially in relation to contract dredging. They also find that the organization for the care and control of departmental plant is very unsatisfactory. The offices now used are inadequate; those occupied by the General Superintendent and his subordinates should be abandoned, and these officers should be brought into closer contact with the Assistant Chief Engineer.

The present General Superintendent is about seventy-three years old, and he is now and has been for some time unable by reason of illness to attend to his duties. The Commission understand that he has been an efficient officer. If it is deemed desirable to retain his services, the Commission feel that he should in reality occupy a consulting position only, and should relinquish all active participation in the management of the Branch. It seems to the Commission that a person with good executive qualities, having some practical knowledge of dredging, and preferably one familiar

with dredging machinery should be appointed in his place as General Superintendent, and that under him a very complete reorganization of the Branch should take place. A very inadequate and unreliable attempt at cost accounting now made in the Branch should be abandoned, and a complete system installed.

The Commission understand that Mr. T. H. Schwitzer has been named for appointment as Mechanical Engineer for the Branch. He has been for some time the Mechanical Superintendent of the Printing Bureau, and is now engaged in making an inquiry for this Commission at Sorel Ship-Yard. The Commission think that Mr. Schwitzer may, after some experience in the Dredging Branch, prove to be a proper person for the position of General Superintendent, the duties of which position he might discharge temporarily, with a view to his permanent appointment should his work prove in every way to be satisfactory. They do not think, however, that a Mechanical Engineer as well as a General Superintendent will eventually be needed in the Branch.

The system of management and accounting differs somewhat in the Maritime Provinces from that in vogue in the other parts of the Dominion, and it is here that the need for reorganization is most urgent. In the Maritime Provinces there are two Superintendents, one at St. John, N. B., and the other at New Glasgow, N. S., both receiving $2,000 per year. The departmental plant in these provinces is valued at about $1,500,000, and includes ten dredges, three tug-boats, and scows, etc. One of the dredges is valued at about $700,000. All accounts are payable at the office in St. John, N.B. The local Superintendent there, Mr. Scovil, has a credit given to him for that purpose from time to time by the Department here. In regard to the Provinces of New Brunswick and Prince Edward Island he has also wide duties; hiring officers and crews, purchasing supplies, and exercising control over the movements of dredges. In regard to Nova Scotia, these latter duties are performed by the Superintendent at New Glasgow, though his accounts are payable at St. John. The expenditure in the dredging season of 1910 for towage by private tugs in the Maritime Provinces amounted to $62,454.40, the contracts being made by the local Superintendents. This was in addition to the cost of operating departmental tugs and dredges. Vouchers for the payments by the office at St. John are sent in monthly to the Department in Ottawa, but the credit to the office is accounted for annually only. Purchases should be made by tender and contract more largely than at present, and better supervision should be exercised concerning the dredges and their movements. The practice of paying the accounts at St. John should be continued, but a closer supervision should be exercised from the Department at Ottawa.

The Commission find that it will tend to efficiency to have one Superintendent only for the Maritime Provinces, with an office at St. John, and that a suitable man should be appointed. An inspector recently appointed from Prince Edward Island should be made responsible to the local Superintendent for general service.

An Inspector is already attached to the office at St. John, N.B. It is desirable that the duties of Inspectors should be widened, by requiring them not merely to examine machinery, as at pre-ent, but to inquire and report upon the movements of dredges, the discipline of their crews, and generally any matters affecting their usefulness. Two inspectors may prove insufficient for this work, in which case the number should be increased.

The Assistant Chief Engineer says that the present local Superintendent at St. John is not qualified for the position he now holds, and much less so for the wider authority which should be exercised by one local Superintendent for the Maritime Provinces. He does not appear to exercise effective control over his subordinates, lacks initiative in combating abuses, and does not show zeal in carrying out reforms ordered by the Head Office. In 1911, the local Superintendent in Nova Scotia arranged for the services of a tug-boat, neglected to place her at work or to cancel the engage-

ment, and deceived the Department at Ottawa as to the real facts, the final results being that in October, 1911, over $3,000 was paid for hire of a tug which was not used even for one day. Other causes exist for dissatisfaction with this office.

The Commission find that neither Mr. Scovil nor Mr. Graham could efficiently perform the duties of local Superintendent for the Maritime Provinces.

CONTRACT DREDGING.

Considerable capital is required for individuals or companies to procure and operate an efficient dredging plant. Where keen competition for contracts exists, dividends are not likely to be either large or certain. It is expensive to move dredging plant frequently or for long distances, for which and other reasons it is more or less local in its very nature. Where work is to be done at various places at the same time, few contractors have sufficient plant to undertake many contracts. Where there is much dredging to be done at one place in one season, few contractors have plant enough to undertake it. For these and other reasons, a very strong tendency exists towards monopoly, merger or collusion. The Commission are persuaded that less actual competition in contracting than is desirable exists in Canada at the present time. Competition is frequently more apparent than real. Tenderers often bid for work at more places than they could attend to if given contracts for all, because when tendering they do not expect to be the lowest in every case. Their inability to perform all the work they are lowest tenderer for is sometimes advanced as a reason for giving a contract to one who is, in fact, not the lowest tenderer. It is not unusual to give a contract to one person or company at prices quoted by another, the explanation given being that the lowest tenderer has been given all the work he has plant to perform. Within recent years certain contractors have been told to commence operations before tendering, upon the understanding that the price they would receive would be that which was quoted in the lowest tender afterwards received. This fact being well known, the only tender received has naturally been that of the contractor doing the work. The condition, hitherto insisted on, that the plant to be used should prior to or at the very time of tendering be registered in Canada has probably restricted competition, and the same result has, perhaps, been brought about sometimes by restricting too much the period between calling for tenders and the time fixed for the commencement of work.

The Commission are of opinion that competition can be increased, and dredging be made less costly to the public, while at the same time assuming more and more the condition of an industry instead of a gamble, by the adoption of a sound and consistent practice. They suggest that more care than heretofore should be taken to ascertain the extent of dredging that will be required at any particular place; and that when it is so considerable that more than one season's work will be necessary, tenders should be asked for the whole work, or for the work required for a period of years. This is being done to a limited extent. The objection that Parliament makes grants annually only, would be no stronger than in the case of public buildings, which are seldom completed in one year. Parliament should be apprised at the outset of the extent of the work to be done, and that further yearly amounts will be needed. Advertisements calling for tenders should be published in the beginning of the year, and the successful tenderers should be notified early enough to permit them to acquire all necessary plant before the time to commence work has arrived. It is said that a practical objection on this point is, that until Parliament has voted supply, the Department cannot safely award contracts, but this should be met by adopting the practice of asking Parliament to deal with dredging votes early in each session, for they are subject to special circumstances, and the reason for early votes could easily be demonstrated.

It sometimes happens that only one tender is received for dredging at a particular place; a number of instances of this kind happen almost every year. It has then to

be considered whether any contract should be awarded, and it would appear as if in many instances contracts have been awarded at high prices simply because no lower price was tendered for. It seems to the Commission also that even where competition apparently exists, the prices contracted for are frequently higher than they should be. Sometimes the prices asked and given are much higher than resident engineers have estimated to be fair and reasonable, and it has even happened that resident engineers have certified accounts for payment as fair and reasonable at prices much higher than their own estimates, giving reasons for their change of opinion that might reasonably be open to the suspicion that they were made to suit the exigency. The material to be dredged is so varied, the difficulties resulting from location are often so great, and the matters to be considered in each case are so numerous, that the Commission readily perceive and willingly admit that the subject is one demanding the exercise of great discretion. Nevertheless, they feel that a proper solution would often be easier, if the Department were provided with statistics and other data which not only could but should be procured. The kind of material to be dredged, and the difficulties of location in each case, should be carefully reported upon in advance. Material can be classified, and with experience the actual cost of dredging each kind could be calculated very closely. The Department should adopt for itself a standard of prices for kinds of material and of location by which it should test the fairness of prices asked by tenderers. No contract should be awarded if these prices exceed the standard fixed by the Department, unless after careful inquiry and special report, special circumstances justify an excess rate. In preparing for the work of a season, it has been the practice to plan that departmental plant shall be used at certain places, and tenders asked for others, with the result that it is sometimes alleged that a high tender must be acceded to or the work be delayed. It would be wise, it is suggested, that the Department should not allocate all its plant at the very outset, but that some should be kept in reserve till tenders have been considered, so that if work has to be done quickly for which the prices asked by contractors are too high, departmental plant could be used to make tenderers reasonable.

The Commission find that the creation of a departmental board, which should be convened from time to time to consider matters relating to dredging would be advantageous. Where dredging should be done, whether tenders should be accepted, and many other incidental matters should be passed on by such a board, for the purpose of advising the Minister. Neither the Head nor the Deputy Head should be charged with the task of considering the very many matters of detail and principle of great importance which constantly arise, and on the other hand, the Assistant Chief Engineer, charged with the administration of this work, would be greatly strengthened by the assistance of such a board. Pressure from outside the Department is often exercised, and the head of the Branch thereby placed in a very difficult position, from which he would be often relieved if it were the fact that the questions arising would be passed upon by a responsible and capable departmental board.

TOWAGE OF SPOIL.

Specifications in use fix a maximum of 3½ miles for towage of spoil at the rate quoted in the tenders, and also fix a cent or more per cubic yard of spoil for every additional mile beyond the maximum, any fraction of a mile being paid for as a full mile. The maximum fixed in the specifications does not differ in different places, but is the same in all cases. If the distance towed be less than 3½ miles, the full rate fixed for dredging is paid in full, though the towage may be for only one mile or less. Large amounts have been paid for towage over 3½ miles under this provision; and in most instances, the distances towed have been little in excess of the maximum, thus suggesting the thought that the towage has exceeded the limit by a fraction merely to give a claim for the full mile allowed. The Commission find that it should be

specified that any fraction of a mile less than one half shall not be counted, and any fraction of a mile more than one half shall be paid for as a full mile.

The specifications to tenders have hitherto contained the following clause:—

"The dredges which are intended to be employed on this work shall have been "duly registered in Canada at the time of the filing of this tender with the Depart- "ment, or shall have been built in Canada after the filing of this tender."

It has been said that this condition was intended to protect Canadian capital and labour as a national policy. Its precise form has not been necessary to that end, which could have been as well secured by the proviso which the Commission now suggest should replace it. It is possible and even probable that by requiring that tenderers should be owners of dredging plant before they tender, persons and companies have been deterred from tendering, who were financially able and quite willing to purchase, after the acceptance of their tenders, all the plant which should prove to be necessary. For these and for many other reasons, the Commission find that it is desirable to amend the specifications in use by substituting the following for the provision referred to:—

"Dredges and tugs not owned and registered in Canada shall not be employed "in the performance of the work contracted for."

The change if adopted should be specially referred to in advertisements for tenders, and while it may be now too late to have much effect this year, the Commission believe that good results will hereafter accrue from the change.

It may be said that this change will give opportunities for speculation in contracts by permitting persons to tender who have no plant, but who will assign their contracts. It is sufficient reply to this, the Commission think, to say that tenders not accompanied by security should not be accepted; that no contract should be entered into unless and until the tenderer has satisfied the Department of his ability to perform it; and that no contract can be assigned without the consent of the Department.

It has been stated to the Commission that the Department of Public Works seldom insists on the forfeiture of security for contracts when a tenderer fails to enter into or a contractor fails to carry out a contract. The Commission feel that no deposit should be returned before a contract is completely carried out, except upon the authority of an Order in Council, and that there should be legislation requiring that all Orders in Council authorizing return of deposits should be placed before Parliament within ten days of the opening of a session.

DREDGING INSPECTION.

The greatest opportunities for fraudulent practices in connection with contract dredging are afforded by insufficient, inefficient or even dishonest inspection, when payments are made by scow measurement. Hitherto the Inspectors have been nominated by the members of Parliament or defeated candidates supporting the Government for the time being, and nomination has almost universally been followed by appointment. The fact that employment as Inspector is only temporary has increased the difficulty of procuring reliable and capable men. The Commission find that appointment as Inspectors should be made on the recommendation of the Assistant Chief Engineer, after great care has been taken to inquire into the record and the qualities of applicants; that written certificates of character, from responsible and reputable citizens, should in all cases be required and filed; and that where large contracts have to be performed, such as at Fort William, Midland, Victoria Harbour and St. John, N.B., yearly salaries should be paid for the services of qualified and satisfactory men.

In concluding this preliminary report the Commission desire to express their very strong feeling that the proper administration of matters relating to dredging

is in a very special degree dependent upon the skill, care and good-faith of the departmental staff. Many questions have to be decided, for which no general rules can be laid down, and subsequent competent criticism is so extremely difficult, that with every precaution which can be prescribed, good results will nevertheless still depend very largely on the ability, the executive capacity and the firmness of the Assistant Chief Engineer and those under him, and upon the extent to which he and they have the support of their superiors in office.

All of which is respectfully submitted.

ALFRED B. MORINE,
Chairman.

G. N. DUCHARME,
R. S. LAKE,
Commissioners.

Ottawa, 3rd April, 1912.

To His Royal Highness the Governor General in Council.

MAY IT PLEASE YOUR ROYAL HIGHNESS:—

The Public Service Commission have the honour to make the following report:—

For some time past the Commission have had under consideration the subject of dredging as carried on by and through the Public Works Department, who placed at their disposal a large number of files and other documents.

On the 3rd April last they presented a report of progress which set forth certain findings which they had been able to make at that time; and on these findings they based certain recommendations, both in regard to that branch of the work which is carried on directly by the Department by means of its own dredges, and in regard to that part of the work which is carried out by private enterprise under contract with the Government.

The number and importance of other matters, which have since been engaging their attention, have prevented them devoting all the attention they would have wished to this question. The absence from the files of much material upon which they must assume decisions were based, as well as of the reasons of the Minister for those decisions, has also been a serious drawback, and prevents them making as complete a report as they would otherwise have been able to do.

Beyond some inquiry into the actual cost of the dredging performed by the Government itself, with its own plant, the Commission have been inclined to leave that branch of the question as it stood when they made their previous report. The present Assistant Chief Engineer in charge of dredging, as it was then pointed out, had only been a short time in office. He is a gentleman who had shown anxiety to improve the service, and the Commission had recommended certain measures, many of which he was already endeavouring to have adopted. Time had to be given for him to show results. The Commission, therefore, confined themselves mainly to a closer inquiry into the conditions under which dredging is performed for the Government by contract, the methods of assigning the work and giving the contracts, and the cost of dredging by contract in comparison with that of dredging directly by the Government itself.

Practically speaking, the duty of dredging the harbours and rivers of the Dominion, wherever commercial interests are concerned, has now come to be looked upon as a matter entirely and solely of Government concern. The Government appears to have assumed the obligation for the dredging required, not only for the improvement of our rivers, harbours and existing ports, but also that which is necessary for the creation of the new ports and new shipping centres, which are being created from time to time by railway and transportation companies. The amount of dredging now done in the Dominion, other than that carried out by, or through the Government itself, is so small as to be a negligible quantity. The position is, therefore, that any private corporation or individual, who owns a dredging plant, is entirely dependent for any returns from that plant upon its employment by the Government. The dredging business is in this respect different from perhaps any other in the country. It is a business in which a considerable amount of capital is required; and from the outset the person engaging in it is confronted with the position that he must either himself get the Government work, or failing this, get his plant used by some one who is more fortunate in that respect. The inevitable result is to encourage the owners of dredging outfits to arrange matters amongst themselves in advance of tendering, and to eliminate healthy competition. It also places an enormous power of patronage in the hands of the Minister in the exercise of his discretion as to the

persons to whom the contracts are to be awarded. That the Minister has exercised personal supervision over this question is quite apparent from the material placed in the hands of the Commission. There are some features in connection with it, which they feel it desirable to touch upon before mentioning the general conclusion at which they have arrived.

MUTUAL UNDERSTANDING BETWEEN TENDERERS.

That persons, who put in what are ostensibly competitive tenders, frequently have an understanding with each other in advance, as to what prices each shall bid, is quite evident on the face of the tenders themselves. The following is a clear instance, though it is not the only one. In 1907, tenders were called for dredging at Midland and Waubaushene, and the Canadian Dredge and Construction Company, and the Penetanguishene Dredge Company each put in separate tenders for the work to be done at each of these two points, the tender of one company being the lower of the two at Midland, and the tender of the other company being the lower at Waubaushene. All four tenders bore the same date, were apparently filled out in the same handwriting, and were enclosed in envelopes endorsed by the same person. That no importance was assigned to this incident is shown by the fact that the contract for Midland was nevertheless awarded to one of these two tenderers.

ALTERNATIVE TENDERS.

That there has been a practice of putting in alternative tenders in the hope that, if one was not successful in getting the contract, the other might be, is evident from more than one instance of both of the tenders appearing on the files. In one case, which may be described here, both tenders were for the same work, dated the same day and filled in and signed by the same firm in the same handwriting. One, which bore the initials of the Minister of Public Works, was for thirty-nine cents scow measurement, and thirty-five cents cast-over; the other, which bore no initials, was for twenty-six cents scow measurement, and eighteen cents cast-over. The contract was awarded to the tender which was not initialed. In the Order in Council the Minister stated that it was the lowest tender; although in fact there was another tender put in on the same day for exactly the same amount, which had been duly received and initialed by the Minister. Several interesting questions are suggested in connection with this transaction. Why were the persons who put in the alternative tender given the contract; and is it not more than a coincidence that the prices they quoted were exactly the same as those of their competitor? Why was the difference between scow measurement and cast-over measurement twice as great in one of their tenders as it was in the other? If they were prepared to do the work for the lower figures, why did they put in another tender at half as much again: and if there had been no competition, would they have got the contract at the higher figures?

LOWEST TENDERS NOT ACCEPTED.

The statement that the lowest tender is usually accepted is not borne out by the files. In the year 1907, out of forty-three contracts entered into by the Government with various firms for dredging in Ontario and Quebec, fourteen were with firms who had not put in the lowest tender. In three of these cases they were not even the second lowest tender. The contracts awarded in these fourteen cases were for prices which averaged thirty-four per cent higher than the lowest tender. One firm tendered lower than any other for work at eight of these places, but did not get any of the contracts. It is true that they got contracts at other points, but this would not appear to be any reason why they should not have been awarded the contract wherever

they were lowest. They had put up their deposits, and these could have been forfeited if they had failed to carry out the work at the prices tendered. There appears, however, to be no record of forfeiture of deposits in connection with tenders for dredging, and putting them up seems to have become a mere matter of form. Unless there be some penalty, the habit will grow up of firms putting in blanket tenders and, after the contracts are awarded, of picking and choosing those which are likely to be the most remunerative.

CONTRACTS MADE WITHOUT COMPETITION.

There appear to have been frequent instances of the Chief Engineer reporting prices to be fair and reasonable, and of contracts being subsequently let at higher prices; and this, in some cases, in the face of vigorous protests by the responsible officials. In some instances contractors have been set to work on the understanding that, if when the tenders were opened theirs was not the lowest, they would accept payment at the price of the lowest tender. Under such circumstances, it is not to be expected that there would be much competition. Apart from this, morever, it would appear to amount to a breach of faith with would-be contractors to advertise for tenders when it had already been decided who was to get the work. Even if persons desiring to tender were not deceived, such a course is calculated to bring the whole system into contempt. Another practice which appeared to be common, was not to accept the lowest tender, but to award the contract to some other firm, provided they would accept it, at the prices of the lowest tenderer. This on more than one occasion resulted in the contractors holding out until they got their own prices.

Altogether the peculiar conditions, which have already been referred to, under which the Government is practically the only employer to whom owners of dredges can look for employment, and the fact that work is generally provided for all available plant, are not conducive to the close cutting of prices. Indeed it would be remarkable if there really was any bona fide competition. This, in the past, has undoubtedly led to many contracts being given at prices which were unduly high, either because there were no other tenders, or such tenders as there were, were not really competitive.

It seems impossible to arrive, with even a small degree of accuracy, at any conclusion as to the principles which governed the granting of many of the contracts in the past; and a comparison of the prices paid for dredging at the same points for a number of years in succession shows an amazing amount of variation.

COMPARATIVE COST OF GOVERNMENT AND CONTRACT WORK.

A reference has already been made to the fact that the Commission has been studying the cost of dredging performed by the Government with its own plant compared with that performed by contractors.

It must not be forgotten that private owners, in addition to cost of operation, wintering, repairs, equipment, superintendence and other expenses, have to take into consideration interest on the capital invested, depreciation and insurance. The Government on the other hand, while taking into consideration the former items, does not include the three latter in its calculations; and in the figures which are given below, so far as the Government plant is concerned, no cognizance is taken of them.

It may be mentioned here that comparisons are possible only in the Maritime Provinces, and in portions of Ontario and Quebec, as these are the only parts of the Dominion where both Government-owned plant and private plant are in operation. West of the Great Lakes all the dredging is done by the Government with its own plant; while on Lake Superior and Georgian Bay, with comparatively insignificant exceptions, it is all done by contract work. The St. Lawrence Ship Channel is done

entirely by Government dredges, which, up to the year 1904, were operated by the Public Works Department; but since then have been under the control of the Marine and Fisheries Department.

The comparative cost of Departmental and Contract Dredging for the four years ending 31st March, 1911, is as follows:—

Dredging—Maritime Provinces—1908-1911.

	Cub. Yards.	Cost.	Average per c. yd.
Departmental	3,705,874	$ 707,790 01	19·1 cts.
Contract	5,933,968	2,839,190 32	47·84 "

At the average price of Departmental dredging, viz., 19·1 cents, the cost of 5,933,968 yards would be $1,133,387.88. A saving of $1,705,802 would therefore have been effected in these four years if Departmental plant only had been employed. It may be noted further that during the present year great economies have been effected in the management of the Departmental plant in the Maritime Provinces, and that results for the future will be much better than in the past.

The following comparisons are given as they deal with the only other localities where both private and Government dredges are used, but they are not of the same value owing to variations in the nature of the work.

Dredging—Lakes Erie & Ontario—1910-11.

	Cub. Yards.	Cost.	Average per c. yd.
Departmental	591,187	$ 59,234	10·01 cts.
Contract	315,845	64,753	20·50 "

Dredging—St. Lawrence River & Tributaries,—1910-11.

	Cub. Yards.	Cost.	Average per c. yd.
Departmental	521,263	$128,325	24·62 cts.
Contract	1,586,710	351,368	22·14 "

Owing to the incompleteness of the Departmental reports, in the figures immediately preceding, and in those next following, it was found necessary to confine the comparison to the last year for which returns are given, viz., 1910-11.

The next comparison deals with dredging throughout the Dominion. It includes the St. Lawrence Ship Channel; but the Prairie Provinces have been omitted as no accurate account has been kept of the amount of material dredged there.

Dredging throughout the Dominion—1910-11.

	Cub. Yards.	Cost.	Average per c. y.
Departmental	9,671,032	$1,189,552	12·3 cts.
Contracts	9,644,671	2,694,336	27·93 "

At the average price of the dredging carried on by the Government with its own plant, the cost of 9,644,671 yards would have been $1,189,597. A saving of $1,504,739 would therefore have been effected in a single year if the Government had owned sufficient plant to do the whole work itself.

An even more striking comparison between the cost of Departmental as compared with Contract dredging is shown by the results in the Harbour of St. John, where Government and private dredges were working side by side. Had all the dredging carried out there by contractors during the last four years, been done by the Department with its own dredges, the saving to the public would have been $1,012,002.

An interesting comparison might also be made between the cost of contract work at Fort William and Port Arthur, and of that performed by the dredging fleet of the Department of Marine and Fisheries in the St. Lawrence Ship Channel. During the last three years, the earnings of the Great Lakes Dredging Company, principally for work at Fort William and Port Arthur, amounted to $1,908,704.56 for 9,718,763 yards dredged, or about 19·64 cents per cubic yard. In the same three years the Ship Channel fleet, under the Government, dredged 17,763,608 yards at a total cost of $1,583,792.82, or 8·92 cents per cubic yard, which is less than half the cost of the Great Lakes Dredging Company's work, although according to official reports a considerable portion of the material dredged in the Ship Channel consisted of 'boulders and hard rock'.

It must be remembered in all these comparisons that much of the work undertaken by the Government dredges is on the smaller and more difficult jobs, and in out of the way localities. It is consequently not at all popular with the contractors who look for the best of what is going. Furthermore, the work performed by the Government plant is usually of a much higher quality. The principal object of the master of a Government dredge is to do a good job; the principal aim of the ordinary contractor is to get financial results. If he can increase his profits by dredging deeper than necessary where the material is good, and scamping the work where the material is more difficult, there is a temptation to do so. Then again, if the Inspector makes a mistake as to the class of material, or the number of scow loads which leave the dredge, the mistake is likely to be against the Government and not against the dredge-owner.

BRITISH COLUMBIA.

In British Columbia all dredging has been performed by a plant owned by the Government, and the quantity of material dredged there for 1910-11 amounted to 1,728,420 cubic yards, of which according to available returns, at least 85,000 cubic yards were rock. This was performed at a total cost of $177,834.75, or an average of 10·28 cents per cubic yard.

It must not be forgotten that wages, food, and other expenses are higher in British Columbia than in any other part of the Dominion. In spite of this fact however, the cost of dredging there compares very favourably with contract work in Eastern Canada.

CONTRACTOR'S PROFITS.

The present system of letting contracts to private dredge owners at the rate of so much a cubic yard, according to the class of material to be dredged, is of recent date. Up to the year 1905 the general practice had been to pay for the services of dredges by the hour. The amount most commonly paid was $8.00 an hour, though there were instances of $10.00, or even $12.00 being paid. The number of working hours a day averaged about ten, so that the amount earned by a dredge ranged from $80.00 to $120.00 a day. Coincident with the change, the Government ought, in advance of tenders being called for, to have compiled the most accurate information obtainable regarding the amount and nature of the material to be dredged, the difficulties likely to be met with, and the estimated cost. Contracts ought not to have been awarded unless the prices reasonably conformed to this estimate, and payments ought wherever possible to have been based on place, instead of scow, measurement. This does not appear to have been done and the change in the system has proved to be considerably in favour of the contractors.

A perusal of the Auditor General's Reports, and the long list of firms now engaged in the business, lead to the belief that it has been extremely remunerative to some of the contractors. One or two examples of this may not be out of place. In the spring of 1907, in St. John Harbour, for eighteen days' work with a single dredge, Mr. G. S. Mayes received the sum of $29,515, being an average of $1,639 a

day. A reference has already been made to the amount paid to the Great Lakes Dredging Company in the last three years, viz., $1,908,704. The Dominion Dredge Company for the two years 1907-1909, for work in the Maritime Provinces and Quebec, received $708,580 for 1,164,209 cubic yards, being an average rate of 60·8 cents; while the Departmental dredges during the same period dredged 2,045,307 cubic yards at an average rate of 20·7 cents. The Canadian Dredge and Construction Company, organized in 1907 with a paid up capital of $22,500, received for two years' work the sum of $685,391. In the year 1910-11 the dredge *Cynthia*, belonging to the Maritime Dredging Company, received $276,585 for ten months' work, dredging 700,194 cubic yards at Beacon Bar, Harbour of St. John. This was an average of considerably over $1,000 a day for every working day. The rate paid for this work was $4.30 a cubic yard for boulders and 39½ cents for clay, but less than three cubic yards of boulders were met with during the season. The *W. S. Fielding* owned by the Government, was also working at St. John, in the Harbour Channel, at much more difficult work, and in a more difficult location, and dredged 460,970 cubic yards boulders, sand and clay at an average cost of 18·27 cents per cubic yard, or $386 a day. Had the Government done the work at Beacon Bar with their own plant, the work done by the *Cynthia* alone could have been accomplished for $127,925, or a saving of $148,363.

It has already been pointed out that interest on capital, and depreciation are not included in the cost of dredging by the Departmental plant. The figures given are compiled from the Annual Reports of the Department, and are inclusive of cost of operation, repairs, renewals, towage, etc. If interest on capital were added, it would not materially affect the result as the Government borrows at a very low rate. As to depreciation, the aim of the Department is to keep the dredges as good as new, the repairs being charged to the annual expenses of the dredge.

GENERAL CONCLUSIONS.

It would appear to the Commission that the comparisons which they have given would in themselves indicate the desirability for discontinuance of contract dredging and the execution of the whole work by means of plant owned by the Government.

Other considerations, however, point just as strongly in the same direction. In the first place it should be borne in mind that there is no special inducement to exaggerate the amount of material dredged by a Government dredge; while on the other hand, it is to a contractor's interest to get credit for as large an amount as possible. Until the present year contractors' accounts have been made up almost entirely by scow measurement, certified to by the Dredge Inspectors. These are a body of men who hold purely temporary positions, being employed only during the dredging season and not very well paid. They are practically the only check upon the contractors. Instances have been brought to light in which they have neglected their duty, leaving opportunities not only for overcharges in respect of the quantity, but also for overclassification, of the material dredged. To what extent they may have certified to larger amounts than contractors were entitled to, it is impossible to say, but there can be no doubt that it has been done. To a certain extent this difficulty could be overcome by the substitution of place measurement for scow measurement wherever possible, but there are many cases in which this cannot be done. Added to all this is the difficulty of getting real competition in tendering, owing to the conditions which have been already pointed out, and to the method of dealing with the tenders when received. This has led to wasteful expenditure in the past, and might do so again in the future.

There can be no question that the amount of dredging to be done in the years to come will be just as great or greater than in the past. The constantly increasing business of the Dominion will ensure this. It would appear to the Commission, there-

fore, that the proper way to provide for it is for the Government to extend the system of Departmental dredging which they are now operating with some success, and which there is good reason to hope may be improved in the future. The Government are in a position to do the work more cheaply than private individuals, owing to the large amount of capital expenditure involved. Contractors have to provide for this, and for a profit; and owing to the uncertainty of always being able to secure Government contracts, must make the profit as large as possible.

There have been complaints in the past that the patronage evil has prevented the best results being obtained from Government operation. The Department should be given an absolutely free hand to employ only the best men obtainable, and to insist upon discipline among their employees. This rule should prevail all through the Service from the highest to the lowest.

At present, two Departments of the Government are engaged in the Dredging business on a large scale, and a third Department to a lesser degree. The dredging of the St. Lawrence Ship Channel was under the Public Works Department previous to the year 1905, when it was transferred to the Marine and Fisheries Department. The Commission cannot see that any good purpose was served by this. It created two separate Dredging Services, each under its own administration and entirely independent of the other. They think that the time has arrived when both Services should again be placed under one Head, who should be adequately paid for his services, and provided with the best expert assistance procurable, as the business is of a technical character.

It has already been mentioned that dredging on a smaller scale is now being carried on by another Department, that of Railways and Canals. It is of a somewhat different character and carried on under different conditions, and is moreover confined to canals and waterways, for the good condition and proper administration of which that Department is solely responsible. For these reasons, the Commission are of opinion that the control should remain where it is, but that Department should keep in touch with the Dredging Branch, and avail itself of the advice of the technical experts employed there.

While the earliest possible action should be taken looking to the gradual acquirement of sufficient plant to enable the Government for the future to discontinue contract dredging altogether, and to carry out this service entirely with its own employees, the Commission would again urge that in regard to existing contracts which have some years to run, all payments should, so far as the circumstances may render it possible, be made on the basis of place measurement rather than by the scow load.

All of which is respectfully submitted.

G. N. DUCHARME,

R. S. LAKE,

Commissioners.

Ottawa, November 9, 1912.

PUBLIC SERVICE COMMISSION

1912

SPECIAL REPORT

ON

DISMISSAL OF R. E. COOK

Department of Public Printing and Stationery

To His Royal Highness the Governor General in Council.

May it Please Your Royal Highness:—

Soon after being appointed, the Public Service Commission was very urgently requested by Mr. R. E. Cook, of Ottawa, to make inquiry into his conduct as an official of the Department of Public Printing and Stationery, and the circumstances surrounding his dismissal in 1910. In the belief that such an inquiry was not merely a matter of justice to Mr. Cook personally, but that it might incidentally afford valuable information regarding the Printing Bureau, so-called, the Commission commenced the desired inquiry in January last, and now have the honour to present their report, and the evidence taken before the Commission on oath.

Mr. Cook entered the Public Service in 1887, as a compositor; was promoted several times; in 1897 was entrusted with the supervision of the work to be done outside for the Bureau by private persons and companies (particularly lithographing), and attained Sub-division 'A' of the Second Division in the Civil Service, with a salary of $1,800 per year, and the rights and privileges conferred by the Civil Service Act.

He was dismissed from the Public Service in 1910, in the manner and under the circumstances hereinafter referred to:

An inquiry into the affairs of the Department of Public Printing and Stationery was made by the Honourable Mr. Murphy, then Secretary of State, during 1910. A report of the result was made to the Governor General in Council, dated November 8th, 1910, with certain evidence and sub-reports, and this material was placed before Parliament in a printed form during the Session of 1910-11. In the Commons, on January 30th, 1911, the Honourable Mr. Murphy said:—

> 'The blue book contains all the evidence of which any written record was made. In addition to the witnesses examined at the Printing Bureau, many other persons were interrogated at different times and places, but no record was made of their statements . . . . . No person was examined under oath, as the investigation was a departmental inquiry, and it was not deemed necessary to issue a Commission authorizing the taking of evidence under oath.'

In the course of the inquiry, Mr. Cook himself was examined by the Minister, and the evidence of various other persons was taken in relation to matters in which his conduct seemed to be called in question. But no charges against Mr. Cook were definitely made at any time, nor was any statement made to him as to the matters concerning which he was suspected to have been guilty of dereliction of duty. Mr. Cook was not permitted to ask questions of witnesses, nor even to be present at all times when they were being examined; he was not afforded any opportunity to call witnesses on his own behalf, and was not represented by counsel. The Minister himself examined the witnesses, all of whom were his subordinates or receiving patronage from his Department, and the printed report of the inquiry he held indicates very clearly that his questions were improperly leading in character and tinged by hostility to certain witnesses. It was improper for the Minister himself to be both prosecutor, judge and executioner, especially in view of the fact that the witnesses were all subject to his influence.

An examination of the evidence thus taken, reported and published; a consideration of the remarks in relation to the matter made in the Commons by the Honourable Mr. Murphy, on April 25th, 1911; and especially a comparison of what is

attributed in the blue book to certain witnesses with the evidence of the same witnesses given on oath before us, conclusively proves that the material so published as evidence, in the blue book, is incomplete and untrustworthy, and should not have been given circulation.

In the administration of a Department it may sometimes be necessary to obtain information relative to the conduct of affairs otherwise than by testimony on oath, taken in the presence of a person or persons to whose conduct it relates, but no man should be condemned and punished without fair trial; and, when, as in this case, the man is in reality the subject of suspicion, and his retention of office is in jeopardy, it is gross injustice to treat him as Mr. Cook was treated. Most certainly no man's reputation should be aspersed by the publication of evidence concerning him which has not been taken with all the safeguards which experience has proven to be essential to justice, even in public courts. No matter how cruelly unjust the matter published in a blue book may be, the victim cannot take any proceeding at law or any other action which will at all adequately vindicate his reputation, and therefore the publication, in an official form, of any matter concerning any person should not be resorted to or permitted without the greatest care. Mr. Cook has in this way been injured by the publication referred to.

In the Commons, on April 25th, 1911, the Honourable Mr. Murphy defended his action in the dismissal of Mr. Cook, making frequent reference to the blue book, and also made assertions and insinuations reflecting on Mr. Cook's conduct which even this evidence does not support, and in some cases contradicts. For instance, Mr. Murphy charged Mr. Cook with sending, "without the knowledge of the King's Printer," a letter which the Honourable Mr. Murphy denounced as improper. It was, in fact, the King's Printer himself who originated the idea of sending the letter in question; he had not denied it, and has before us adopted and justified it, as the result of a desire on his part to comply with what he understood to be the wish of the Honourable Mr. Murphy himself. For another instance, the Honourable Mr. Murphy represented that Mr. Cook made a contract for printing without his knowledge, and subsequently, to deceive him, obtained quotations for the work from several parties, which he presented to Mr. Murphy while the work was actually in progress. The real truth was: the Honourable Mr. Murphy being informed by Mr. Cook that he had arranged for the work, wrote to the persons who were doing it stating that no (official) order had been given for it; and directed Mr. Cook to procure quotations from other parties, which Mr. Cook did after he also had countermanded the order he had previously given for the work. Throughout the speech, there were many other misrepresentations or distortions of what Mr. Cook had done which would have been impossible, we think, if a full and fair inquiry had been made, and evidence on oath had been properly taken. Nothing that is said in the Commons can be the subject of an action at law, and, therefore, Mr. Cook has been forced to suffer without a remedy all the torments which must be experienced by any man with a keen sense of honour who has been unjustly assailed when and where he could offer no defence. Just because they cannot be called in question in the courts of justice, remarks ought not to be made in Parliament aspersing the character of any absent man, when not unavoidable, and they ought not to be permitted in any case when they obviously are not based on evidence given on oath in the presence of the accused, at a fair hearing, with full liberty to that accused to examine, cross-examine, tender evidence and otherwise justify himself. The case of Mr. Cook is an instance in point. His conduct was assailed in Parliament when he could make no defence, when only distorted evidence had been made public, and when the effect even of that distorted evidence had not been studied by any person except the Minister who took it. The speech was most unjust to Mr. Cook, necessarily inflicting great pain on him, and doing his reputation an injury from which, it may be, it can never completely recover.

If for any reason, information concerning the conduct of an official be received in any manner less formal than we have described, and if in the absence of such formality the dismissal or other punishment of the official take place, it seems to us that the information obtained should not be made public, but that the punishment imposed, if called in question publicly, should be defended on the sole ground that it was so imposed in the discretion of the Minister, or by the Governor in Council, as the case may be. In no case should evidence be published which has not been taken as described, and assertions derogatory to any man's character should not be made in Parliament on any basis less substantial.

A very striking instance of the worse than worthlessness of the evidence taken in the inquiry by the Honourable Mr. Murphy, is afforded by the circumstances surrounding a letter published in the blue book referred to, at page 297. This letter was referred to in the Commons on April 25th, 1911, by Mr. Northrup, M.P., who denounced it as shameful, but it was defended and explained by the Honourable Mr. Murphy, in the speech above referred to. He did not, however, explain the circumstances under which that extraordinary and reprehensible document had been procured and placed in evidence. Those facts are, briefly, as follows:—In April, 1910, Mr. William Mortimer orally quoted to Mr. Cook the prices at which the Mortimer Company, Limited, would do certain lithograph work and supply certain paper, respectively. In June, 1910, Mr. William Mortimer was requested in writing, by letters ante-dated April 20th, to give quotations for the same things. It was explained to Mr. William Mortimer, in June, when these letters were given to him, that the reason for dating as of April the letters asking for quotations in writing which he had already given orally was this, that the official file in the Bureau might show in writing what had in reality taken place orally. The device was the King's Printer's, done with innocent intention, in fact, and without injury to anybody, but over this matter a great pother was made in the Commons by the Honourable Mr. Murphy. Testifying about this matter, months before, viz., on the 7th of July, 1910, to the Honourable Mr. Murphy himself, the King's Printer said: "It was my own view." Yet on April 25th, 1911, the Honourable Mr. Murphy represented this as an instance of deceitful conduct on the part of Mr. Cook.

On September 16, 1910, Mr. William Mortimer gave unsworn evidence to the Honourable Mr. Murphy. The blue book (page 297) reports as follows:—

> "Q. Do you remember having an interview in the Printing Bureau with Mr. Cook in April last regarding a work called 'Farm Grasses?'—A. Yes.
>
> "Q. The substance of that interview was committed to paper by you in August last in a letter addressed to me, and which I will now read to you?—A. Yes."

The assertion, implied in the last quoted question by the Honourable Mr. Murphy, that the letter referred to was written by Mr. William Mortimer, was untrue. It was, in fact, written on the direction of the Honourable Mr. Murphy himself, by his stenographer, in Mr. Murphy's office, after discussion with the brother of Mr. William Mortimer, a Mr. A. E. Mortimer, who knew nothing personally about the matter. Mr. A. E. Mortimer very reluctantly gave evidence on oath before us relative to this letter. His evidence in full appears in the appendix hereto, but the following extracts accurately comprehend what he said on the question of authorship:—

> "I first saw the letter in Mr. Murphy's office. I was sent for (to go there). The letter was already written, and was read over to me. The letter was discussed for only a few minutes. Then I signed it. I said if I were writing it, I would express it somewhat differently, it is somewhat bald or raw. It is all hear-

say so far as I am concerned. The language of the letter is not my choice. If I had known it was to go out in public I would never have signed it. Mr. Murphy said he was not going to make any use of it."

Feeling that the Honourable Mr. Murphy ought to be afforded an opportunity to explain his connection with this letter, before the evidence of Mr. A. E. Mortimer concerning it was published, your Commissioners supplied the Honourable Mr. Murphy with a statement of the evidence on the question of authorship, and asked the Honourable Mr. Murphy if he desired to testify before them on oath. He did not accept the opportunity thus offered, but instead tendered a statement made by him, and verified by his affidavit. The Commission on the 28th February, 1912, caused the following reply to be made:—

"It is their practice to receive evidence in the ordinary manner, orally, under oath and by question and answer, and they see no reason for departing from this safe rule, by placing in the record of evidence the ex parte statement you now tender. On the contrary, the statement obviously contains matters that it would be unfair to both Mr. Cook and Mr. Mortimer to place on record, except after the most careful examination and cross-examination.

"If the inquiry now pending before the Commissioners directly placed your conduct in issue, a summons for you to give evidence would have been served on you in the regular way, but it has been incidentally only, and in relation to the Mortimer letter, that your personal action has been referred to: and in offering you an opportunity to testify, the Commission has acted upon a sense of courtesy and fair play, desiring that evidence referring to your conduct should not be published without giving you an opportunity to place your explanation on record at the same time. That explanation, I am directed to say, must be given with the same formality and under the same safeguards as all the other evidence. The Commission desire to report at an early date. The time has already been extended to accommodate you. It is now further extended to the end of this week. If you desire to deliver your evidence verbally, the Commission will be obliged if you will intimate your decision as speedily as possible."

The Honourable Mr. Murphy has not expressed any desire to avail himself of the privilege thus accorded.

The Mortimer letter, so-called, was as follows:—

"OTTAWA, August 16, 1910.

"DEAR SIR,—Referring to our letter of April 22 last, addressed to the King's Printer and containing prices for an edition of Farm Grasses, we beg to say that the circumstances under which Mr. R. E. Cook obtained the letter mentioned are as follows:—

"At an interview in the Printing Bureau in April last, Mr. Cook stated to our Mr. Wm. Mortimer that you had given a contract for the edition of Farm Grasses to the Toronto Lithographing Company, and that as the contract amounted to more than $5,000 you desired to have on file correspondence showing that you had invited tenders for the work, and that the Toronto Lithographing Company was the lowest tenderer. Mr. Cook added that this correspondence was required in case a question was asked about the matter. Mr. Cook asked Mr. Mortimer to put in a tender slightly higher than that of the Toronto Lithographing Company, and as the tender of the latter company had been placed on Mr. Cook's desk where Mr. Mortimer could see it, the latter copied the figures and returning to our office made up a tender as requested by Mr. Cook. We assumed that Mr. Cook's statements were correct and did not make any inquiry from you. We were, however, aware when we wrote the letter of April 22 that

the contract had previously been given to the Toronto Lithographing Company, and that our figures were not in the nature of a tender, but were to be used merely for the purpose of justifying the giving of the contract to the Toronto Lithographing Company as explained to our Mr. Wm. Mortimer by R. E. Cook.

"Yours truly,

"THE MORTIMER COMPANY, LIMITED.

"A. E. Mortimer."

Man. Dr.

It will be noticed that the letter refers to one interview only as taking place between Mr. William Mortimer and Mr. Cook, which it fixes as in April, 1910, and as resulting in an offer of prices by the Mortimer Company dated 22nd April, 1910. It says that Mr. Cook represented at that time that this offer was required for the purpose of "fixing" the official file of correspondence, and as justifying the previous giving of a contract to the Toronto Lithographing Company, and that the offer was not to be regarded as a bona fide one. It is also represented in the letter that to enable Mr. Wm. Mortimer to make this bogus offer efficient for its deceptive purposes, the offer of the Toronto Lithographing Company was left where the figures quoted could be seen by Mr. Mortimer.

Careful criticism of this letter, in the light of all the evidence given before the Honourable Mr. Murphy and, on oath, before us, proves that this letter was a very deliberate concoction for the express purpose of destroying Mr. Cook's reputation, and that it is as wholly false as it is obviously despicable. The fact is, the thought of making the official correspondence agree with what had occurred in April did not occur to anybody until June, and consequently the statement that Mr. Mortimer was told in April of this desire was not and could not be true. The offer was asked for in April because the Honourable Mr. Murphy had refused to permit the Toronto Lithographing Company to proceed with the work, and had insisted on prices being obtained from others, and, therefore, the story that the offer was asked for by Mr. Cook for the mere purpose of justifying the contract with the Toronto Lithographing Company is obviously false. Mr. A. E. Mortimer has sworn before us that Mr. William Mortimer did in April see on Mr. Cook's desk the offer made by the Toronto Lithographing Company, and did copy the figures therefrom to aid himself in making an offer for the Mortimer Company, but Mr. A. E. Mortimer declares that this was done by his brother surreptitiously, and that neither he nor his brother wished it to be implied that Mr. Cook had left the letter on his desk for the purpose of permitting Mr. William Mortimer to see it.

Mr. William Mortimer has been absent from Ottawa for a long time, and, therefore, his evidence was not taken by us, but there is no reason to believe that it would alter the present appearance of the situation.

In the Mortimer letter it is represented that the Mortimers entered into collusion with Mr. Cook, to falsify a public record, and to deceive those who might rely on it. Mr. A. E. Mortimer signed the letter, but on oath repudiates its authorship and denounces its contents. Mr. William Mortimer in an unsworn statement to the Honourable Mr. Murphy, in the course of an inquiry, assented to the letter as a true relation of facts, including, of course, its admission of intent to deceive, and assented also to Mr. Murphy's untrue assertion that Mr. William Mortimer had written this letter. In face of all this, it is perhaps unnecessary to add that in our opinion both Mr. William and Mr. A. E. Mortimer are unreliable witnesses.

That the Mortimer letter was dictated by the Honourable Mr. Murphy himself, to his own stenographer, in his own office, is now admitted by the Honourable Mr. Murphy in his statement verified by affidavit. He, however, claims that the dictation was based on the oral narrative of Mr. A. E. Mortimer to him.

The Mortimer Company, when the evidence was given to Mr. Murphy and the letter signed, was, and it continued to be, in the receipt of printing patronage, which the Honourable Mr. Murphy absolutely controlled.

It was asserted by the Minister, in the Commons, on 25th April, 1911, that Mr. Cook was dismissed for causes shown in the course of the inquiry referred to above. It is probable that there were mixed causes for the Minister's action, but it is quite certain that the immediate occasion for dismissal was not anything alluded to in the course of the inquiry, but a very different matter altogether. The Montreal *Herald,* in July, 1910, was doing certain printing for the Bureau. On the 9th day of July—a Saturday morning—the Minister directed Mr. Mulvey, Under Secretary of State, to procure to be made a remittance of $5,000 to the *Herald,* on account of work done. Mr. Mulvey personally visited the Bureau, between 11 a.m. and 12 a.m. on the same day, and ordered Mr. Cook to have the remittance made. Mr. Cook objected that the vouchers had not been received which the practice of the Bureau required should be in hand before a remittance was sent, and that this was more important than usual because $5,000 had already been irregularly paid to the *Herald* by the Interior Department on account of the same work. Mr. Cook stated, however, that he would immediately telegraph for the necessary documents, which he did. Mr. Mulvey became very angry, left the Bureau, proceeded to the office of the Secretary of State, and informed him of Mr. Cook's refusal, whereupon the Minister by telphone ordered the King's Printer to suspend Mr. Cook. Mr. Mulvey, testifying before us, was of opinion that on the occasion in question he spoke of the desired remittance to both the King's Printer and Mr. Cook, but they both distinctly deny this, and being pressed as to his recollection of the facts, Mr. Mulvey was not able to satisfy us that his memory was good on this point. The circumstances seem to confirm the evidence of the King's Printer and Mr. Cook, and we conclude, therefore, that Mr. Mulvey, without the sanction of the King's Printer, asked Mr. Cook to do a thing which would have been a violation of the sound practice of the Department. We find, therefore, that the immediate cause of Mr. Cook's dismissal was a refusal which Mr. Cook was wholly right in making, and that Mr. Cook's conduct and demeanour on the occasion were proper, and the Under Secretary's action irregular.

In the House of Commons, on January 30th, 1911, the Honourable Mr. Murphy said that the dismissal of Mr. Cook was due to facts elicited in the course of the investigation held by him, and was for:—

(*a*) Disobeying instructions.
(*b*) Wasting public moneys.
(*c*) Placing orders outside the Bureau without securing competitive prices, and for
(*d*) Untruthfulness and incompetence.

From a perusal of the speech delivered in the Commons on the 25th day of April, 1911, by the Honourable Mr. Murphy, and from a consideration of all the evidence published in the blue book and taken before them, the Commissioners conclude that the verdict thus formulated refers chiefly to the circumstances surrounding,—

(*a*) The conduct of Mr. Cook in reference to the proposed publication of a book known as "Farm Grasses," for the Department of Agriculture; and

(*b*) A payment to the Gananoque *Reporter* for printing an immigration pamphlet for the Department of the Interior.

The salient, material facts in relation to these two matters are as follows:—

(1) *"Farm Grasses."*

A large amount of very high class lithograph work and a special kind of paper were necessary to the production of "Farm Grasses." Similar lithograph work had been done in 1909 by the Toronto Lithographing Company in the printing of a book

called "Farm Weeds," and the workmanship was of very high quality indeed. In February, 1910, Mr. Cook, with the approval of the King's Printer, arranged with the same company for the lithographing of "Farm Grasses," and also for the importation for the Bureau of the paper required for the work. It is admitted by the King's Printer that he directed Mr. Cook to ascertain what arrangement could be made with the Toronto Company, and while the King's Printer is not quite clear that Mr. Cook reported that an agreement had been made, and the work commenced, we see no reason to doubt that Mr. Cook reported in due course, for the King's Printer was so much in the habit of relying on what Mr. Cook did that the fact of a report or no report would probably not impress itself upon his mind.

In March, after several unavailing attempts, the King's Printer and Mr. Cook obtained an audience with the Honourable Mr. Murphy, and Mr. Cook informed him that an arrangement had been made with the Toronto Company to do the lithographing and import the paper. Mr. Murphy was very angry, for he had previously instructed the King's Printer to obtain competitive tenders for doing the lithographing of this very work, which instructions, however, the King's Printer had omitted to mention to Mr. Cook. In his speech in the Commons, the Honourable Mr. Murphy sought to make it appear that on this occasion he was not told about the work having been given to the Toronto Lithographing Company, but only that the paper had been ordered through that company; and he says that he wrote to the company regarding the "paper," saying that he would not recognize the transaction. But the letter he did write to the Toronto company said, "You have been interviewed * * * * regarding the publication of a book * * * *. No order has been given (by himself) for any part of the publication mentioned.' This is not language which one would use regarding a purchase of paper; it does apply to the production of a book. It is admitted by all that Mr. Cook informed the Honourable Mr. Murphy on this occasion that he had obtained prices for lithographing from the Toronto company, and had arranged for a purchase of paper, and it is said by all the parties that the Honourable Mr. Murphy was very angry that competitive prices for the lithographing had not been obtained. But why should paper be ordered if no arrangements had been made for the printing, and why should the Honourable Mr. Murphy be angry over the absence of competitive prices for printing if no price had been accepted? We find that Mr. Cook's account of what took place at this interview is the correct one.

The interview was abruptly closed by the Honourable Mr. Murphy, who refused to approve of what had been done, and who ordered that competitive prices should be procured as speedily as possible. With the approval of the King's Printer, Mr. Cook, in April, proceeded to Toronto, Buffalo and New York, and obtained oral offers for the lithographing from various firms. Mr. Cook on this occasion informed the Toronto Company of the Minister's refusal to confirm what he had previously done. On his return, Mr. Cook prepared a tabulated statement of all the offers received, which statement the King's Printer conveyed to the Honourable Mr. Murphy, but the latter asked to see the offers, and on being told they were verbal, refused to approve action on them at that time.

On the 19th of June, 1910, the Honourable Mr. Murphy wrote to the King's Printer, and sent the letter by a clerk employed in his office. It is said by Mr. Murphy that this communication was intended to direct that a letter should be placed on the correspondence file "to show exactly what Mr. Cook had asked each tenderer for from whom he had asked prices." The King's Printer, aided by Mr. Murphy's clerk, construed this to mean that the minister wished that offers in writing, in the terms of the oral offers, should be obtained. Letters dated April 20, 1910, were sent out in June, 1910, to the firms who had in April made verbal offers, asking formally for offers, and covering letters explained that this course was followed in order that the official file might be in accordance with the facts. The fact that letters

dated in April were sent out in June opened the door for an assumption of much mystery about the matter by the Honourable Mr. Murphy in the Commons, who spoke of it as "a solemn farce," and said that the covering letters were sent "without the knowledge of the King's Printer." In the inquiry held by himself, the Honourable Mr. Murphy had been told by the King's Printer the reasons for this proceeding, and the King's Printer said "it was my own view," so that there is no excuse for blaming this on Mr. Cook. The expedient adopted was clumsy, but its author was quite innocent of any motive other than a desire to carry out the directions of the Honourable Mr. Murphy himself.

In perusing the evidence given before the Honourable Mr. Murphy, it is necessary to a right understanding thereof, to bear in mind that the words "contract" and "tender" were understood by the witnesses, Cook and Parmelee, to refer to written documents, and not to include oral agreements or offers. For instance, Mr. Cook says, "there was no contract with the Toronto Company," he means no written contract, and Mr. Parmelee places the same meaning on "contract." When they say "tender," they mean written tender, and do not include oral offers. The Honourable Mr. Murphy should have noticed this confusion in the minds of his witnesses, but it must have escaped his observation, for his comments in the Commons upon much of the evidence would have had no point in them if this distinction had been borne in mind.

None of the offers obtained in April by Mr. Cook were as good as the offer by the Toronto Company, but during the inquiry held by the Honourable Mr. Murphy one of his experts obtained a lower offer from a Montreal Company, which has only recently completed the lithographing. The lower price was largely consequent upon printing sixteen plates at one impression, whereas the Toronto and other Companies were of opinion that good work could not be done if more than eight plates were printed on one sheet. But the work has been well done, and the Montreal Company receives a lower price than the Toronto Company asked. Nevertheless, the Toronto Company is claiming damages, and a book which should have been published in 1910, has only now been produced, so that the delay must be set off against the lower price received by one company as compared with that asked by the other. The question of time was a factor in the original offer, for speed was desired by the Department of Agriculture, and lower prices might have been quoted by the Toronto Company and others if it had not been represented that early publication was necessary.

(2) "*Gananoque Reporter*".

The Interior Department requisitioned the Bureau for the printing of 100,000 copies of a pamphlet. It was decided to have the work done outside the Bureau. Mr. Cook suggested to the King's Printer that the printing should be given to the Gananoque *Reporter* in the office of which newspaper Mr. Cook had learned his trade as a compositor. The King's Printer assented, and Mr. Cook visited Gananoque to ascertain if the *Reporter* office was fitted out to do the work, and, if so, to arrange for it. The proprietor, Mr. Britton, thought $2,000 about the price he should have, but dropped to $1,600. Mr. Cook proposed $1,160, and Mr. Britton intimated that he would rely on Mr. Cook's judgment. The King's Printer, after consultation with Mr. Cook, agreed to give $1,160, which amount was arrived at by comparison with prices which had been paid other offices for similar work. Before the *Reporter* had actually been notified of the King's Printer's decision, but after that decision had been made, a Mr. A. H. Barker, Manager of the Ottawa *Free Press*, called at the Bureau, looking for printing work to do in the office of the *Free Press*. He was told by Mr. Cook that there was none to be given out at the time, but that an order had been placed with the *Reporter* for 100,000 pamphlets, which otherwise the *Free Press* might have got, and that the *Free Press* might get the work to do from the *Reporter*

if the price it would take were low enough. Later on that day Mr. Barker named $950 as the price he would take from the *Reporter*, saying that the *Free Press* job staff were idle at the moment, and this job would do as a "filler". On the same day, the *Reporter* was informed that the work had been awarded to it for $1,160, and that it must be completed within one month. It had been the intention of the *Reporter*, up to this time, to do the work in its own office, which had a sufficient supply of plant to do the job in an ordinary way, but when the *Reporter* was informed that only a month would be allowed for the printing, the *Reporter* doubted its ability to do the work in so short a time, whereupon Mr. Cook informed the proprietor of the offer made by the *Free Press*, and the *Reporter* decided to accept the order for $1,160, intending to sub-let the work to the *Free Press* or some other office. The *Reporter* was paid $1,160 on the completion of the work; the *Free Press* received $950 from the *Reporter*; and the latter, therefore, obtained a profit of $210.

It appears that the price paid by the Bureau to the *Reporter* was fair and reasonable; and that the price paid the *Free Press* by the *Reporter* was unusually low; lower, probably, than the *Free Press* would have asked the Bureau for the same work if the order had been given directly. The only statement by Mr. A. H. Barker relative to the matter is in the form of a letter read by the Honourable Mr. Murphy, in the Commons, and as Mr. Barker now lives in the Northwest, we could not examine him on oath without more expense than seemed warranted. Remembering the manner in which the Mortimer letter was procured, we have not felt compelled to lay much stress on the exact form of the Barker letter, but it does not in any material matter differ from the above account of what occurred between Mr. Barker and Mr. Cook.

Undoubtedly, before he had actually completed the agreement with the *Reporter*, Mr. Cook was aware that the *Free Press* would do the work for the *Reporter* for $210 less than the amount it had been decided to give the *Reporter*. It cannot be questioned that the Bureau was at that moment legally in a position to withhold the order from the *Reporter*. But can it be said that Mr. Cook was morally bound to withhold the order in view of all the circumstances, or that he did any moral wrong in not withholding it? He and the proprietor of the *Reporter* had agreed that the *Reporter* should have the work to do for $1,160, if the King's Printer approved of that price, and the King's Printer had given his approval before Mr. Cook knew that the *Free Press* would do the work for the *Reporter* for a smaller amount. The approval of the King's Printer having been given, might it not have been a breach of faith to withhold the order from the *Reporter*, because of subsequent information that the price would allow the *Reporter* to make a profit by sub-letting the work?

It was the uniform practice of the Bureau to give out work without prior agreement as to price, and to pay for it at rates which had been revised and approved by the Honourable Mr. Murphy himself. Minister and King's Printer alike have known that in many cases, perhaps in a majority, competition by tender would result in lower prices. It has been the practice to keep at the Bureau a list of persons or companies to whom alone work was to be given, a proceeding which deliberately shut out competition by all those who were not on the list, and by shutting out such competition must have had the effect of compelling the Bureau in many cases to pay higher prices for printing than would otherwise have been necessary. By debarring opponents from any share in public printing, and confining that printing to those persons who are recognized to be supporters of the Government, and by paying those supporters upon an established scale, without asking them to tender or to name special prices, succeeding Governments have established the custom that printing work is not necessarily to be done at the lowest possible price, but is to be treated to a considerable extent as patronage, to be divided amongst friends and supporters of the Government, and not necessarily to be given at the lowest prices which could be obtained even from amongst these, by competition.

It is clear that Mr. Cook did not have any personal interest in the matter, except a friendly feeling towards an office in which he had been trained as a compositor; that he did not profit in any way by what was done, and that no thought of personal profit had anything whatever to do with his decision. The *Reporter* was a supporter of the Liberal Government of the day, and Mr. Cook's sentiments were Liberal-Conservative, so that he did not have even a partisan motive for patronizing the *Reporter*.

It was an error of judgment on his part not to withhold the order to the *Reporter* until he had informed the King's Printer, but it certainly was not anything more, and if on becoming aware of what had been done, the Minister felt that a different course should be pursued thereafter, a direction to that effect would have been quite sufficient, and would doubtless have been obeyed by Mr. Cook.

In the Commons, the Honourable Mr. Murphy complained that Mr. Cook had not been frank to him in reference to the time at which he knew that the *Free Press* would do the work for a lower price than the *Reporter* was to be paid, and in proof of this charge, he produced the letter signed by Mr. A. H. Barker to which reference has been made herein, stating the time when Mr. Cook really did know about the lower price. We are of opinion that Mr. Cook was not frank to the Honourable Mr. Murphy on this point; he told no untruth, but he did not tell all the truth. It is not remarkable, however, that he told as little as he could at the inquiry by the Honourable Mr. Murphy, for he was asked certain leading questions, and not generally to tell what he knew, and he was obviously made to feel that he was in the grasp of an enemy.

In any case, lack of frankness on this occasion had nothing to do with Mr. Cook's dismissal, for that had taken place before the Honourable Mr. Murphy obtained the evidence in Mr. Barker's letter.

Mr. Cook was twenty-three years in the Public Service, during which time he was known as a more than ordinarily active official, and it is noteworthy that though he occupied a position which gave him virtual control of considerable patronage, at a period when affairs in the Bureau were loosely managed, not a single charge of dishonesty was ever made against Mr. Cook. It was said by experts who examined the Bureau affairs in 1910, for the Honourable Mr. Murphy, that Mr. Cook had not a thorough knowledge of lithographing work, which he supervised for the Bureau. This was unfortunately true; it was Mr. Cook's misfortune, not his fault, that he had been placed by Dr. Dawson in charge of work of a technical character in which he had no training. Yet it appears that he did his work at all times to the best of his ability, and that he possessed the respect and confidence of Dr. Dawson and Mr. Parmelee, King's Printers at different times, and not of these alone, but also of those outside with whom he came in contact in a business way. Mr. A. E. Mortimer says of Mr. Cook, "I thought he was too strict, as I told the Minister (Honourable Mr. Murphy), and straight-laced." The managing director of the Montreal *Herald*, Mr. J. S. Brierly, wrote to the Honourable Mr. Murphy a letter in which the following appears:—"I have uniformly found Cook not merely courteous, attentive and industrious, but apparently one of the few men who was devoted to his work, who took an interest in it, who appeared thoroughly competent, and who deplored the lax conditions which prevented the best results from being secured." The Reverend Wm. Briggs, of the Methodist Book Room, Toronto, wrote as follows to the Honourable Mr. Murphy:—"We always found Mr. Cook to be the soul of honour in all business transactions, ever watchful of the interests of the Government he represented, and never by word or suggestion did we see anything improper in him; in fact, we had learned in the progress of the years to hold him in very great respect."

The examination of Mr. Cook himself, at the inquiry referred to, took place on the 7th day of July, 1910; two days later, the *Herald* incident having occurred in the meantime, Mr. Cook was suspended for three months, and at the expiration of

that period he was dismissed. The suspension was by order of the Minister, the dismissal by Order-in-Council, on the Minister's recommendation, but the sentences of suspension and dismissal were conveyed to Mr. Cook by the King's Printer, who says that he did not recommend either, and was not accorded any reason for either. The sole responsibility, therefore, rests in fact on the Minister himself.

In conclusion, the Commissioners find that Mr. Cook was harshly treated, unfairly dismissed, and publicly misrepresented; that he had been, and is now capable of being, a valuable public servant, and that no sufficient evidence was adduced or cause shown to justify the treatment accorded him. We find that he should if possible be reinstated in the Civil Service in the status and with all the rights which he would now have if he had not been dismissed.

All of which is respectfully submitted.

ALFRED B. MORINE,
Chairman.

G. N. DUCHARME,
R. S. LAKE,
Commissioners.

OTTAWA, May 31st, 1912.

PUBLIC SERVICE COMMISSION

1912

SPECIAL REPORT

ON

Department of Public Printing and Stationery

To His Royal Highness the Governor General in Council.

MAY IT PLEASE YOUR ROYAL HIGHNESS:—

The Public Service Commission have the honour to present the following Report concerning the Department of Public Printing and Stationery:—

The Department of Public Printing and Stationery was organized by Act of Parliament in the year 1886, prior to which time all the printing for the Public Service had been done by contract. It did not, however, enter upon the actual business of printing until 1st July, 1888, when it took over the establishment of Messrs. McLean & Roger, the then contractors, leasing their premises and plant for one year, and transferring the working staff as it existed. The construction of the Printing Bureau was begun in the latter part of 1886, and progressed so that at intervals during the year 1889 the employees were moved into the new building, and the leased premises finally vacated on the 15th October of that year.

The new building was designed to accommodate the business of the Government as it existed at the time of the passing of the Act, without making provision for further increase. The consequence was that within three months of occupying it, the then Queen's Printer reported that every part of the building was occupied, and that in order to provide for the requirements of the law it should be enlarged.

Two years later Dr. Dawson, who had recently been appointed Queen's Printer, described the Bureau as occupied from attic to cellar and the work overflowing the limits of the building. Year after year he urged the necessity for additional accommodation; but it was not till 1904, and again in 1905-6, that the building was enlarged. Even then the increased accommodation was not sufficient to provide for all the services required by the Act.

These requirements are set forth in Sec. 5, Chap. 80, R.S.C., as follows:—

"The Department shall be charged exclusively with the following duties in relation to services required for the Senate and House of Commons and the several Departments of the Government, namely:—

"(*a*) The execution and audit of all printing, stereotyping, electrotyping, lithography, binding work, or work of the like nature, and the procuring of the material therefor;

"(*b*) The purchase and distribution of all paper, books and other articles of stationery of whatsoever kind, except books which are required for the use of the chaplains, libraries or schools in the penitentiaries which may be procured as heretofore;

"(*c*) The sale of all books or publications issued by order of either or both Houses of Parliament or by any Department of the Government;

"(*d*) The audit of all accounts for advertising.

"2. The aforesaid services shall be executed by or under the superintendence of the proper officers respectively of the Department."

While Section 16 of the same Act provides as follows:—

"A Government establishment shall be organized at Ottawa, and shall be under the management of the Superintendent of Printing, in which establishment all printing, electrotyping, stereotyping, lithographing and binding and other work of like nature required for the service of the Parliament and the several departments of the Government shall be executed."

On the 20th March, 1902, the Auditor General called the attention of the King's Printer to the provisions of Sections 5 and 16 quoted above, in view of the fact that for the six months ending the 31st December preceding, printing, lithographing, binding, etc., had been executed for the several Departments in outside offices, and payments had been made therefor amounting to $20,728.32. In his reply Dr. Dawson pointed out that in regard to lithographing, no lithographic establishment had ever been supplied by Parliament to do the work; and that for many years he had called attention to the inadequacy of the facilities for the work committed to the Printing Bureau.

Up to the present day, no steps have been taken to remedy these conditions; and the payments by the King's Printer for lithographing, printing, etc., done outside of the Bureau amounted for the fiscal year ending 31st March, 1912, to $292,219.11. This is equal to about thirty-three per cent of the value of the work done in the Bureau. There is nothing to show what proportion of this was for printing and what for lithographing, but an estimate places it at the ratio of ten for the former to twenty-three for the latter. The foregoing figures do not include the printing done for the Intercolonial and Prince Edward Island Railway, which amounts to about $100,000 annually. This work should be done by the Bureau itself when there is sufficient accommodation. In addition to this, the Immigration Branch of the Department of the Interior, contracts for a large portion of its own work without reference to the King's Printer at all. During the year ended 31st March, 1911, nearly $74,000 was paid by this Branch to one firm in the United States for work ordered from them without competition.

LACK OF SPACE IN PRESENT BUILDING.

Owing to the enormous increase in the demands of the Public Service during recent years, the present building has become utterly inadequate for the business required of it. There is insufficient accommodation for either the plant or the employees. The storage capacity is inadequate and the corridors are piled up with stores of all kinds. Not only does this add to the risk of fire, but should a fire occur during working hours it would be a serious obstacle in the way of getting the employees, male and female, safely out of the building.

The internal arrangements for supervision, and for facilitating co-operation and communication between the various Branches, and for economy in the cost of handling, are all defective from the lack of space.

In 1889 the number of hands employed was two hundred and eighty-seven, with forty additional men during the session. This year they number about eight hundred and seventy-five.

To provide adequate space for the business now carried on in the Bureau itself, there should be fifty per cent more floor room; and to this should be added the space which would be required for the printing which the officials of the Bureau now find themselves compelled to give to outside firms. Added to this also should be the additional accommodation required for a lithographing establishment as well as provision for electrotyping and other processes, which, in the opinion of the Commission, should be included in order to comply with the requirements of Parliament as embodied in the Act. It will thus be seen that in order to carry out conveniently all the printing and lithographing work of the present day, the floor space of the present building should be nearly doubled. This increase, however, will only provide for present day requirements. The business transacted in the Department has grown enormously since the Bureau was built; and the King's Printer in his last annual report quotes figures to show that it practically doubles itself every ten years. By the time any possible extensions to the present building could be completed, there would again be

the necessity for further space. The mistake made in 1886 of providing only for the business as it existed at the moment should not be repeated.

It should be pointed out, too, that the present overcrowded and inconvenient conditions at the Bureau form a serious obstacle to efficient and economical production. If space permitted of a more convenient arrangement of the different branches in their relation to each other, there would not only be a saving in cost, but the work could be turned out more expeditiously. While defective organization has in the past been probably mainly responsible for the criticisms levelled at the Department, the difficult conditions from lack of space and modern conveniences are also contributing factors.

NEW BUREAU SHOULD BE BUILT.

The Commissioners have considered the question of enlarging the present building and have come to the conclusion that such a course would not meet the situation. At present the whole arrangement of the building is so inconvenient that in order to fit it with modern conveniences an immense sum would have to be spent on reconstruction. In addition to this no possible extensions would be adequate to meet the requirements of even five years hence and give an efficient and economical service.

It was the intention of Parliament that all lithographing and other work of like nature required for the Government should be executed at the Bureau. This has never been carried out because no plant was provided for the purpose.

Moreover, in addition to the ordinary work of this nature, which has up to the present been executed for the Bureau by commercial establishments, we are of the opinion that the time has now come when all Dominion bank notes, postage and inland revenue stamps, postal notes, etc., should be printed in a Government establishment, as they are in the United States and other countries. At present this work is done under contract by the American Bank Note Company, who for the year ending 31st March, 1911, were paid a sum of $343,779.40 for this service. A building to accommodate the necessary establishment for such a purpose in the future would have to be capable of far greater expansion than the present Bureau. The Commissioners, therefore, recommend that, in view of the recent and prospective development of the business of the country, in order to carry out the provisions of the Act respecting Public Printing, a new building should be provided at the earliest possible date. It should have three times the floor space of the present one, and careful consideration should be given to the question of sanitation, light, ventilation and the comfort and convenience of the employees, which are notably deficient in the present edifice.

Two leading officials of the Bureau have been good enough to submit to the Commissioners plans for a new Printing Bureau which appear to have been carefully thought out with a view to convenience and economy of administration; but the Commission are of opinion that the services of experts familiar with the largest printing establishments in Canada, England and the United States, should be obtained to advise in such a matter, and their views taken into consideration in conjunction with those of the officials above mentioned who have the practical experience of conditions as they exist at Ottawa. The Commission did not, however, think that they would be warranted in going to the expense of obtaining such expert opinion until the Government had decided on their policy in regard to the whole question.

We would point out, however, that there is urgency for an early decision in regard to this matter. At the present time, the Act is being disregarded in what must be accepted as its most important feature, viz.:—that all printing lithographing, electrotyping, stereotyping and binding and other work of like nature should be executed in a Government establishment.

It is of course open to Parliament to change the present Act and to carry on the existing practice under which part of the work is done in the Bureau and part by private establishments. The Commissioners would not, however, favour such a

policy. The difficulties and troubles which existed under the system prevailing before the establishment of the Bureau would probably reappear. Besides which the giving out of printing and lithographing work to private firms from its very nature is and must be open to abuse. The methods of doing this in the past have been open to serious criticism; and it seems impossible to devise others that will not allow some loopholes.

The present establishment performs valuable services which could not be done by private offices as efficiently or conveniently as the Bureau should be able to perform them under proper conditions. It must always be borne in mind that Government establishments, being regulated by specific Acts of Parliament and subject to the more rigorous and complex system of accounting and checking which is demanded in the safe-guarding of public money, is at a great disadvantage as compared with an ordinary commercial undertaking, in the production of financial profits. The hands of the Departmental Head are tied. He cannot introduce improvements or effect economies like the manager of a commercial institution. In addition to this, he is liable at any time to be called upon for a variety of returns and information which would never be asked for in a private establishment.

It may not be out of place here to recall the fact that under the old contract system the printing for the Government was most unsatisfactory, both as regards quality and price. Mr. J. Blackburn, of London, Ontario, employed as an expert to look into the question in 1885, reported that it was notorious that the Parliamentary and Departmental printing of Canada was of a very inferior kind; and Mr. Chamberlin, the King's Printer, stated that it had never been first class since before Confederation. During their inquiry the Commission have had no complaints regarding the quality of the work turned out by the Bureau. It appears to be generally conceded that it is first class; and in this respect at least, the present system must be regarded as a great improvement upon the old.

CONSTITUTION AND MANAGEMENT.

It has already been pointed out that the provisions of the Public Printing and Stationery Act are not being complied with in so far as having all printing, lithographing, etc., for the Government performed in the Printing Bureau. The same statement can be made in regard to the provisions for constitution and management, and especially in connection with the status and duties of several of the leading officials.

During the year 1910 an investigation into the affairs of the Department of Public Printing and Stationery was carried out; and during its course two experts, Messrs. John Hyde and E. G. O'Connor, were employed. Their report was a valuable one and a number of their recommendations have been carried into effect. In his report to Council, dated the 8th November, 1910, the then Secretary of State announced his intention to introduce a Bill to amend the present Act. This was necessary if some of the changes in management which he made were to have the authority of the law behind them. Mr. Murphy's intention, however, was never carried out, and in consequence more than one of the present leading officials are holding offices and performing functions not contemplated by Parliament. While Messrs. Hyde and O'Connor's report, as has been said already, was a valuable one, it did not in the opinion of the Commission go deeply enough into questions of internal check and accounting; nor did it offer a sufficiently comprehensive plan for efficient administration and strict control of expenditures. The Commission, therefore, decided to request Messrs. Price, Waterhouse & Company to make an inquiry into the Bureau and report to them, with especial attention to the question of management and accounting. We append their very complete and valuable report, and concur gener-

ally in their findings and recommendations. An earnest effort should be made to have their proposals carried out, especially in regard to accounting and auditing, and the checking of goods received and issued by the Stationery Branch.

MANAGEMENT.

From the first there appear to have been difficulties and friction in the Bureau owing to indefiniteness in the Act as to the relative status and duties of the Superintendent of Printing and the Superintendent of Stationery in their relationship to the King's Printer. The Act should be amended so as to provide:—

(*a*) That the King's Printer, as Deputy Head of the Department, should be responsible for its proper administration to the Secretary of State; that all the officials of the Department should be subordinate to him; that all official correspondence should be carried on through his office; and

(*b*) That the duties of the Heads of the Branches under him should be clearly set forth.

It may be pointed out, that while the Minister has and must always have absolute authority over the Bureau, that authority should always be exercised through the King's Printer. Departure from this principle has been most detrimental to the discipline of the Service. The King's Printer should be freed from all routine work and minor and unimportant details. As head of a great establishment he should be able to devote his whole time to the larger questions of policy and general supervision.

ADMINISTRATION.

For administrative purposes, the Bureau should be divided into five branches, each of which should be under a head official directly responsible to the King's Printer. These branches and their official heads should be as follows:—

Accountants' Branch—Chief Accountant.
Printing Branch—Superintendent of Printing.
Stores Branch—Superintendent of Stores and Distribution.
Secretary's Branch—Secretary of the Department.
Purchasing Branch—Purchasing Agent.

The duties to be assigned to each Branch are briefly as follows:—

ACCOUNTANTS' BRANCH.

The Chief Accountant should have complete control of all the accounting, stock and cost records of the Bureau. The audit of the printing for the Intercolonial and Prince Edward Island Railways should come under his jurisdiction; and he should keep all records in connection with time-keeping and the preparation of the pay-roll. He should also be in charge of the preparation of statistics; which should be kept constantly up to date and be of such a complete nature that he can at all times keep the Advisory Board—which it is hereinafter proposed to create—informed as to the condition of business at the Bureau. He should be freed from all detail work and thus enabled to devote the whole of his time to supervision.

A Cashier should be appointed in this Branch who would relieve the Accountant of all duties connected with the receipt and disbursement of cash.

PRINTING BRANCH.

The Superintendent of Printing should be in charge of all printing, stereotyping, electrotyping, lithographing, engraving, binding and all the processes necessary for

the production of the completed work in the Department. He should also be in charge of the mechanical staff.

He should, however, be relieved of the supervision of the cost accounting system though he should furnish the necessary data, and be constantly in touch with it, and be regularly informed as to its results. He should have nothing to do with contracting for work to be done outside of the Bureau, the arrangements for which, when approved by the King's Printer, should come within the duties of the Purchasing Agent. He should have another Assistant, in addition to the Controller of Composition, who would relieve him of ordinary routine work and enable him to exercise a more direct personal supervision over the Composition, Press, Bindery and other Branches of his Department. It is essential that one of his Assistants at least should be thoroughly proficient in both the English and French language.

STORES BRANCH.

The Superintendent of Stores and Distribution should be in charge of the receipt, care and distribution of all printing stores, stationery, and office supplies required either for the Printing Bureau itself, or for the other Departments of the Government. He should be relieved by the Purchasing Agent of all work in connection with the actual ordering or purchasing of the same. He should, however, be responsible for the proper specification of all supplies required, and for ensuring that the goods received from the contractors are up to the specifications, both as regards quality and quantity. He should also have charge of the distribution of printed documents.

SECRETARY'S BRANCH.

The Secretary should have general charge of the correspondence of the Bureau and act as Secretary to the Board. The preparation of the *Canada Gazette* and the office for the revision of the voters' lists should also come under his control. The official in charge of this latter office informs us that except at election times, his work is not sufficient to occupy his whole time. The duties of the office are, however, of a very responsible nature and should continue to receive the direct supervision of a senior official. The gentleman at present in charge might be able to take over the duties of Secretary and at the same time continue his personal oversight of the Franchise Room.

PURCHASING AGENT.

The Purchasing Agent was appointed to his position without any instructions being issued as to what his duties were to be. These should be clearly defined. He should have charge of the entire purchasing of all goods required by the Department of Public Printing and Stationery in the execution of its duties. This should be understood to include also miscellaneous supplies, and the contracting for outside printing and lithographing work. The latter should include work of this character now done in the United States for the Immigration Branch of the Department of the Interior which appears to have been given without competition to a single firm in Chicago for many years past. His purchases should, except in the case of trivial amounts, be by contract after public competition. Tenders for Stationery Stores or for Printing should be opened in the presence of the Superintendent of Stationery or the Superintendent of Printing, as the case may be, as well as of the King's Printer. He should also contract for all the advertising for all the Departments, including that of the Immigration Branch, which last year expended about $150,000 through its own officials on this service.

ADVISORY BOARD.

With the object in view of encouraging the sense of unity and the necessity for combined action and co-operation for the successful carrying out of the work of the Bureau, the Commissioners recommend that a Board should be constituted under the Chairmanship of the King's Printer, which should meet at least once a week and whose minutes should be recorded.

This Board should consist as follows:—

The King's Printer, President.
Chief Accountant,
Superintendent of Printing,
Superintendent of Stores,
Secretary,
Purchasing Agent.

The Secretary should act as Secretary to the Board. Periodical statements regarding the state of business in each Branch, of accounts, and generally of such information as is required for the Annual Report to Parliament should be laid each week before the Board; and all questions of importance, having a bearing upon the policy of the Department as a whole, should be the subject of discussion. In addition, it should be the duty of every member to bring before the Board any question of importance respecting his own Branch. The decision of the King's Printer should be final on all questions, but any dissenting member should be entitled to have his opinion recorded in writing upon the minutes. A copy of the minutes should be forwarded each week to the Secretary of State.

In making the foregoing proposals for the distribution of work the Commission have had in mind the necessity which exists in all well regulated establishments for a complete internal check upon all transactions. Experience in the past has shown that the most trusted officials may be imperceptibly led, by the absence of such checks, first into irregularities, and later into actual frauds. It has been proposed that certain duties should be taken from the Superintendents of Printing and of Stationery, and assigned to the Purchasing Agent, solely on the principle that the person who in the first instance advises as to what work is to be given outside or what goods are to be purchased, and later has to certify that the order has been properly filled and the goods received, should not be the same person whose duty it is to decide to whom the work should be given and the price that is to be paid for it.

The heads of the different branches should, in our opinion, be given equal rank and as early as possible advanced to the same position as regards pay. They should each of them be held personally responsible for the efficiency of their various branches, and only hold their positions so long as their branches are producing results satisfactory to the Minister.

The Minister should specify which member of the Board is to act for the King's Printer should the latter be absent at any time.

BINDERY.

It has already been stated in this report that very little criticism was heard in regard to the quality of the work done by the Printing Bureau. There was, however, considerable complaint in regard to delays in the filling of requisitions; and this was especially marked in regard to work which has to pass through the Bindery, where it is stated great congestion exists. It has been contended that the facilities for handling the work in that Branch are not equal to those that exist in either the Composition or Press rooms; that the spout through which it has to go becomes

more restricted as the work proceeds. While it is true that the crowded condition of the Bindery, owing to lack of space, must be a serious handicap, there has been some evidence of a lack of good management. This ought not to be attributed entirely to the persons in charge of the Branch. Although it would appear that at least the same amount of supervision should be exercised over the employees of the Bindery as over the other rooms, there are fewer foremen in this part of the Bureau than are allowed on the average in the composition, press and other rooms in the Printing Branch. This should be remedied. The Commission have recommended elsewhere that there should be a second Assistant to the Superintendent of Printing which would enable the Superintendent, when relieved of the supervision of the cost accounting system and of contracting for the printing and lithographing done outside of the Bureau, to devote more of his time to general supervision and more especially to the Bindery.

COMPOSITION.

Some criticism has been made of the small output of the composition rooms as compared with what would be done in a private establishment. The Superintendent of Printing stated that he had conducted special tests in regard to work on the monotypes; but that while there was some improvement he was unable to get really satisfactory results from his men. We would suggest that as vacancies occur for monotype operators, they should be filled by those who show the greatest skill in the operation of these machines. The same suggestion applies also to the linotype operators. There should be little difficulty in examining applicants for appointment to these rooms and in this way the best and quickest workmen would be selected.

In their report dated October 19th, 1910, Messrs. Hyde and O'Connor condemned the excessive amount of hand composition done at the Bureau. They stated that one hundred and sixty men were so employed, on salaries aggregating $133,120 annually, and that it was a fair estimate that half of this amount might be saved by machine composition. They proposed that monotype machines should be introduced as fast as they could be assimilated, that the most capable of the present hand compositors be taught to use them, and that no new ones be taken on for a considerable period.

Since that report, the number of monotype machines has been considerably increased, but no effort appears to have been made to decrease the number of hand compositors. The reverse seems to have been the case; and we noticed in a return furnished to us that ten additional compositors were taken on in July, August and the early part of September, 1911. The principal reason advanced for the number of men on hand composition is that additional machine operators are always required during sessions, and the only way to be certain of having them when required is to give them employment on hand work during the slack season. It is obvious that there is a point where such a policy involves expense altogether out of proportion to its usefulness. The increase in the number of machines must render it possible to reduce the number of employees on hand work.

THE QUESTION OF SUPERANNUATION.

Any contemplated reduction of employees necessarily brings up the question of what is to be done with faithful employees who have grown old in the Service of the Government. The solution of this problem becomes more and more urgent each year. Mr. Secretary Norton is responsible for the statement that in the United States probably twenty-five per cent of the Servants have become incompetent from age or other reasons, and that "Administrators cannot and will not thrust out of the Civil Service old and faithful employees when they have worn themselves out and are no longer efficient." This will apply shortly with equal force to the Canadian Civil

Service. We are even now reminded of it by the Printing Bureau. Twenty-five years ago the Government took over the printing establishment of Messrs. Maclean & Roger together with their working staff. The majority of these men, then probably in the prime of life, are gradually getting beyond the age at which the retention of their services can be considered profitable. Among the hand compositors we hear of several men of sixty-five and seventy or more who are of very little use. In some cases, they are a hindrance to the employment of younger men, and their presence reduces the standard of efficiency of the whole Bureau to a greater or less extent. We are convinced that some equitable arrangement must be made whereby a living allowance can be assured to old Servants who have passed the age of usefulness and whose retention in the Service is no longer desirable.

STEADY EMPLOYMENT.

During the earlier existence of the Bureau, it was the custom to take on a number of additional men during the Session, when the work was particularly pressing, and to dismiss them when the pressure was relieved. On account of the great amount of business now always on hand, this practice has for some years been discontinued; and the principle seems to prevail that once a man is appointed to the Bureau, his position is permanent so long as he continues to behave himself. It should be possible under existing circumstances to arrange that the printing of all matter not of an urgent nature, should be delayed till the House is not in Session. Efforts are now being made to do this and with a more cordial co-operation on the part of the various Departments, it should be possible to keep all hands steadily employed throughout the year. This is not altogether the case at present, however, and we observed that some of the employees in different parts of the Bureau did not appear to be very busy.

PROOFREADERS.

This was specially noticable in the proofreading branch, where during the Session a double staff has to be employed, half for night work and half for day work. Evidence has been given to us that the proofreaders do not get through the amount of work that they did formerly and that some of the appointees of recent years are not of so high a standard of education. We believe that in future nobody should be appointed a proofreader unless he has passed a qualifying examination for the position. Messrs. Hyde and O'Connor in their report stated that there were at that time thirty-five proofreaders, and recommended that there should be more copyholders in proportion to the proof-readers; and that if this were done and certain arrangements which they suggested carried out, the staff might easily be reduced. As a matter of fact, the staff was not long after gradually increased to fifty. We are glad to learn, however, that since this inquiry was started this number has been decreased. We are of opinion that a reduction of thirty per cent in the number employed might be easily made when Parliament is not in session. One of the staff stated that in his opinion the number could be reduced to fifteen. Any reduction might first take place among the copyholders for whom special experience or qualifications beyond that of a good education are not so necessary as in the case of proofreaders, and who could be easily replaced when the Session recommences. In the meantime, proofreaders could hold copy for each other where assistance in that line is necessary.

COST ACCOUNTING.

In order to arrive as near as possible at the proper charge to be made for work performed, as well as for the purpose of making the Bureau self supporting, it has been the practice in the Printing Branch to calculate the direct and indirect cost of

manufacture and certain of the overhead charges upon each individual job, and charge it against the Department for which the work is done. In the Stationery Branch, the practice is to charge a percentage on the actual cost of handling. The object is that the King's Printer's advance account, which forms the working capital of the Bureau, should show neither profit nor loss; but come out even after the accounts with the various Departments of the Government are settled.

This procedure would have a certain value if it were fully carried out, and were on a fixed and definite basis. It might prove a useful check to ensure that Printing and Stationery, when executed by, or obtained through the Bureau, were not more costly than if obtained through private establishments. In practice, however, it is of little use for this purpose as many of the usual overhead charges are omitted. The salaries of those officials who are paid out of the appropriations for Civil Government, for instance, are not reckoned in as part of the cost; nor are depreciation and renewals of buildings, plant, and equipment, interest on capital, light, heat and power, etc., calculated. It is, therefore, clear that the amounts charged do not represent the whole cost of production. We should not, however, be prepared to take such serious exception to this were we not of opinion that the method of reckoning the percentage to be charged, over and above the actual cost, is unsatisfactory. Especially is this the case with the Stationery Branch, where the percentage is fixed arbitrarily and varies according to the nature of the goods. For example, the percentage charged on printing paper varies from ten per cent to twenty per cent on its cost value; while on small stock such as pencils, etc., it is five per cent, and on such articles as typewriters, no percentage is charged. The great objection to the present system is that it would be possible under certain circumstances by its means to cover up shortages or shrinkages in the stock. According to the Auditor General, stock taking under existing conditions is very unsatisfactory. Stock is now taken of the goods at the prices marked on them for distribution, i.e., with the percentages added. In his opinion, to cover up shortages or peculation, "all that would be necessary would be to mark a higher percentage on the goods." It tends also to make the system of accounting more complicated.

The new system of cost accounting installed in the Printing Branch by the present Superintendent is undoubtedly an improvement on that previously in force. That the rates chargeable under it for the various processes are still somewhat arbitrary will be easily seen by a reference to page 360 and Exhibit VIII. of Messrs. Price, Waterhouse & Company's report. It will be seen that four revisions of the rates took place between 1st April, 1911, when the new system was put in force, and the 18th March, 1912. Still another revision was made on the 24th August last. The tendency of these revisions would appear to be to gradually increase the rate chargeable for hand composition above, and to reduce the rate chargeable for machine composition below, the cost of the actual processes. Since the 31st March, 1911, the rate chargeable for hand composition has been increased from forty-five cents an hour to seventy-five cents an hour. The magnitude of this change will be realized when it it pointed out that the hours employed on hand composition are two and a half times as many as those employed on machine composition.

One of the chief reasons for the recommendation that the cost accounting system should be placed under the control of the chief accountant, apart from the general principle that all accounting work should be under him, is that the calculation and working out of the results of the various processes would be of greater value when done by a second party than when done by the person who is responsible for the processes themselves. The one acts as a check upon the other and their value to the Superintendent of Printing for the purpose of following the efficiency of the various operations under his charge should be enhanced thereby.

It appears to us that, as in the case of the Stationery Branch, so also in the Printing Branch the practice of calculating a percentage to be added to the actual

cost for the purpose of covering overhead charges is unsatisfactory and should be discontinued. In lieu thereof we recommend that in the case of printing, only the actual cost, direct and indirect, of the labour actually employed upon any particular job, as closely as it can be ascertained by the cost accounting system, without regard to overhead expenses, as well as the actual cost of the paper and ink used, should be charged for work executed for Parliament or for any Department of the Government; and that in the case of stationery and stores the actual invoice price only of the goods should be charged.

The overhead expenses and the cost of carrying on the Department generally could be met either, (1) by an appropriation by Parliament for the purpose, or (2) by a pro rata charge against Parliament and the various Government Departments, to be calculated proportionately to the amounts charged against them for the printing and stationery supplied to them.

It may be pointed out that as the Government has in the end to pay for everything whether it is charged to the Departments in the first instance or not, no additional cost whatever would be incurred by making either of these changes.

Their sole effect would be to simplify the accounts and to enable a better check to be kept on the proper administration of the Department.

STATUS OF OFFICIALS.

A fruitful source of trouble is due to the fact that some of the employees are members of the permanent Civil Service and others are not. Men working side by side at the same work serve under different conditions. Some can come later and leave earlier than others and some are docked their pay if they are five minutes late, while others are not. Some have three weeks holidays with full pay and some only two weeks. One clerk is granted certain privileges which his fellow worker at his side does not enjoy. There appears to be no good reason why all should not be upon the same footing. We are of opinion that all who perform what may be classed as administrative and accounting work should be made members of the permanent Civil Service. The present situation conduces to jealousy and lack of united work. Moreover, the Bureau has many cases of men doing important duties who are worse paid than those who have less important ones to perform. Routine work should be assigned to the junior officials while the more important and responsible work should be done by their seniors.

Considerable comment also is current in regard to the fact that two persons are borne on the pay-sheets, credited with full time, and receive pay regularly without ever coming near the Bureau. We understand these cases are of long standing and one of them may be considered in the nature of a pension. If that is so, it should appear as such and be sanctioned by Parliament; the man should not appear as a wage-earner. The moral effect upon other employees is bad. Besides which the Timekeeper now has to certify as correct time-sheets which in this respect are incorrect.

POLITICAL INFLUENCE.

There appears to be a very general feeling throughout the Bureau that party politics enter largely into the running of the institution. New employees are taken on in the first instance rather on account of their party affiliations than of their fitness to fill the situation to which they are assigned. Once in the Bureau, they practically become permanent employees, and have a disposition to look to political influence outside to gain them preferment, rather than to their own efficiency. We have had various complaints as to the difficulty of maintaining discipline among such men. One foreman described a certain occasion when, after having suspended an employee for constant drunkenness, in spite of innumerable warnings, he was

threatened by the Party organization, and even advised by the Superintendent of his Branch, that he would probably lose his own job if he did not take him back. The man was, however, drunk again on the day he was to be reinstated and the King's Printer dismissed him.

It is impossible to speak too strongly as to the necessity of keeeping politics out of the Printing Bureau. The majority of the work is technical, and new appointees should be selected solely on account of their fitness for the position. There should not be any great difficulty in examining persons in advance as to their qualifications for filling most of the vacancies in the Bureau. Once in the Bureau, promotion should be entirely by merit, and a man who endeavours to bring political influence to bear should be thereby disqualified.

Nothing will more certainly destroy the efficiency and usefulness of the Bureau than political interference. A statement which was drawn up for us showed a total of seventy-nine new appointments made for the four months ending 1st November, 1911, of which there were no less than seventy-two who were taken in between the 31st July and the 21st September, that is betweeen the dissolution of Parliament and the General Election.

It is impossible to speak too strongly as to the necessity of keeping politics out of additional help being required for the preparation of Voters Lists. The positions to which most of these new employees were appointed precludes such an assumption, especially as they were all kept on after the Voters Lists were completed. During the month of September a large number of employees were away on vacation and on the Election Day there were one hundred and twelve absentees.

Again, we cannot help thinking that it was with a pretty good idea as to its political effect in their minds that the deputation waited on the then Secretary of State, when the General Election was imminent last year, and pressed their request for the grant of an annual vacation for all employees. In spite of the fact that only a few months previously he had proposed to abolish the five minutes grace granted on arriving at and leaving the Bureau, on the ground that it involved a loss to the country of some $10,000 annually, Mr. Murphy not only took no action in this respect, but he granted two weeks additional holidays which, according to a calculation based on the same grounds, would involve a further loss to the country of $20,000 annually. This vacation was in addition to the sixteen Statutory and special holidays the employees were already receiving, and made an aggregate of twenty-eight holidays without loss of pay.

It may be mentioned that a number of the employees of the Bureau were constituents of the then Secretary of State, and that more than one of them took an active part in the Election. The caretaker testified to us that he was more than once summoned to the Liberal Committee Rooms during office hours where he had consultation with Mr. Murphy.

OUTPUT NOT EQUAL TO PRIVATE ESTABLISHMENTS.

While it may be true that in all Government establishments, the employees have a tendency to feel that they are not called upon to work as hard for the Government as they would for a private employer, it would appear that matters are even worse in this respect at the Bureau than they are in other Government establishments. The Superintendent of Printing has expressed the opinion that "a commercial institution with the same number of people, not the same people," and with the same staff, would do twenty per cent more work than the Bureau. One reason advanced for this opinion was that the Bureau is restricted in the wages it is permitted to pay to the employees, to the scale fixed by the Printers Unions for similar work in Toronto, Montreal and other centres and cannot, as is the custom in private establishments, pay higher wages to exceptionally competent workmen; and that this

takes away from the employee the incentive to increase his output. It may be pointed out, however, that the larger amount of holidays that are granted to the employees of the Bureau than would be granted to those of a private establishment, is equivalent to an increase of nearly nine per cent of their wages, and should be sufficient when permanency of employment is reckoned to attract the highest grade of workmen to the Government Service.

We noticed also that the cleaning of the Bureau is costing over $15,000 a year, which is paid partly out of Civil Government Contingencies and partly out of the King's Printer's advance account. This appears to be an extravagant charge and is, in proportion to the floor space, about double the cost of the cleaning of other Government establishments. If a new Bureau is built vacuum cleaners should be installed as the elimination of dust is especially desirable in a printing establishment.

The cost of the Bureau has been increasing rapidly of late years. The salaries and wages paid on the 31st March, 1910, amounted to $523,360.25, while on the 31st March, 1912, they had increased to $645,872.52, or about twenty-nine per cent in two years. The reasons given are the increase in the work and in the wages of mechanics which took place in June, 1911. Another contributory reason advanced was the additional holidays to the employees granted in August, 1911. We scarcely think, however, that the reasons given are sufficient.

LIST OF EMPLOYEES.

A permanent record should be kept by the Secretary of all persons employed in the Bureau, showing the date of their first employment, age, services, wages, etc. The King's Printer should also be supplied periodically with a confidential report as to the efficiency of all the employees, whether in the Civil Service or not, with a note of any cases of misconduct. A statement should be drawn up monthly for the information of the Minister, showing the number of employees and wages paid in each branch and section to enable him to keep a better check on what is going on in the Bureau.

A definite age limit should be fixed beyond which no person should be eligible to enter the service of the Department.

DEPARTMENTAL REPORTS.

We are informed that the lack of system in some of the Departments in the preparation of their Reports for publication is such as to cause a great deal of unnecessary expense and loss of time at the Bureau. In some instances, Reports or portions of Reports have been sent in to be printed before the officials who edit them have apparently made up their minds as to the form in which they are finally to appear. It is doubtless an advantage to have copy sent in from time to time as it is prepared without having to wait for the completion of the whole report; but every effort should be made to have it in such shape that the Compositors can set it up in the form in which it will ultimately appear without the necessity for extensive revision. We are informed that the penmanship in some cases is poor and difficult to read; and not only causes the Compositor to make more mistakes than he would if it were thoroughly legible or typewritten, but occasions him great loss of time in trying to decipher it. The routine through which a Report has to go before it finally appears in print is as follows:—The copy on receipt is set up in type and a proof taken which is read in the Proofreaders' room. The type is then corrected and a further proof taken, which is sent to the Department concerned, who correct and revise the proof. It is then returned to the Bureau and the type again corrected. A proof is then taken and read again in the Bureau, after which it is sent to the Department for final approval. It will readily be seen, therefore, that should the

Editor change his mind as to the material to be printed or make many additions or alterations, a great loss of time and money takes place. Unfortunately, we are informed that this not infrequently happens and that alterations are sometimes so extensive that the work has practically to be set up afresh, and there is no end to the number of revises asked for. In cases of rush orders, the Bureau officials complain that no special efforts are made in the Departments to correct and return the proofs to them without delay and by special messenger. No order should be marked "rush" by the officials of a Department unless they themselves are ready to deal expeditiously with it when it again comes into their hands.

Copy which is difficult to decipher is responsible for far greater expense and loss of time than is generally realized. Especially is this the case with machine composition. Not only is the Compositor forced to work slowly, but in the case of the linotype machine for instance, the one most commonly in use, the misplacing of a single letter involves the resetting and recasting of a whole line. Then if the alterations to the proof are such as to overrun even one line, it may be necessary to reset whole paragraphs and overrun paragraphs and pages. Moreover, as the alteration of a single letter in the linotype involves the recasting of a whole line, there is always danger of another mistake not previously made appearing in another part of the line, where there is a possibility of its being overlooked by the Proofreader.

Most of the Departmental Reports have to be presented to Parliament within the first few weeks after the opening of each session. This, if properly observed, would result in having them printed between the sessions, when other work is not so pressing, and would be of great assistance to the Bureau. Efforts have been frequently made in the past to have the Reports sent to the Bureau as early as possible, but they have not been as successful as they might have been. There should be greater co-operation between the Bureau and the Departments, both in regard to this matter and in regard to the way in which the Reports are sent in. It must be borne in mind that poor copy is not only a cause of expense and delay to the Department which sends it in, but takes up valuable time in the Bureau, and restricts the volume of work they might otherwise be able to do; thereby creating an excuse to give work to outside firms which should be done in the Bureau. In both cases the Government is a loser.

FRENCH TRANSLATION.

The delay which takes place in the production of the French version of some of the Departmental Reports ordered by Parliament is the cause of great dissatisfaction. With the exception of some six or eight Departments which have recently shown great improvement in this respect, the ordinary course pursued at the present time is as follows:—

The Report is prepared in the Department in English and forwarded to the Bureau, where after the final revision takes place, it goes to press. Ordinarily copies of the "signatures" (sheets containing sixteen pages at a time, which are ultimately bound together to make the completed volume), as soon as they are printed are sent to the Translation Staff in the House of Commons who proceed to translate them into French. If the Translators are pressed for time, part or whole of the Report may be sent by them outside to be translated by parties designated by the Speaker for such employment. The translation is then sent to the Bureau, where delay is again liable to take place, as the signatures sometimes arrive irregularly and out of order and the Bureau does not print the French translation while Parliament is in session, the excuse being no doubt, that other pressing demands for printing should have precedence over Reports which have already appeared in one language.

The Translators blame the Bureau for the delay and the Bureau blames the Translators. The Chief Translator testifies that he sometimes cannot get any portion of the Report until the whole thing is printed and bound; that if he could get the

"signatures" regularly as soon as they are struck off, he could keep the translation going *pari passu* with the printing, and have the whole French version ready for the printer by the time the English edition is printed.

The Bureau officials on the other hand complain that the French copy, which they receive from the Translators, is generally in such shape when it arrives at the Bureau that it causes a great deal of delay and annoyance to the Compositors. It is frequently badly edited, and often so badly prepared as to be almost undecipherable.

Then again, after it has been set up in type and a proof sent to the Chief Translator, it is often returned, not only with typographical corrections, but with corrections to the translation itself. The Chief Translator's remark in regard to this was that in reading the manuscript they were more likely to overlook faults and poor translation than in reading the printed form. In these days of typewriting there is no excuse for having copy put into print before it is edited and corrected.

The Confederation agreement, crystallized into law in the British North America Act, makes the use of the French language obligatory in the records and journals of the Houses of Parliament; and Parliament has provided that official publications ordered by it shall be printed in both languages. It is not a proper compliance with this provision to delay the French version of these official publications for more than a year before they are printed. Some of the French versions of Departmental Reports for the year ending 31st March, 1911, have not yet been published. Sooner or later the French edition must appear and it will be not only more economical and useful, but much more in keeping with the spirit and letter of the law as it now exists, if publications were issued as nearly as possible simultaneously in both languages.

We strongly recommend that the translation into French of Departmental Reports be made in the Department itself while the English copy is in course of preparation and before it is sent to the Printer. The six or eight Departments referred to above as being an exception to the rule, already pursue this course; and they send the English and French versions of their Reports to the Bureau at the same time and in good shape of printing. For the purpose of translation and especially for the better translation of technical expressions, the Department should employ one of its own officials; or failing one qualified in every way for the work, employ one of the official translators, the Department being held responsible for the correctness of the translation, and for keeping it up to time. In Reports in which technical expressions appear, the necessity for this is obvious. Both English and French versions should be corrected and typewritten, and carefully punctuated and edited before being sent to the Bureau. Correcting translation or editing after the copy has been put in print is not only extravagant and costly, but the cause of annoying delays. In the matter of Reports composed mostly of tabular matter, the bilingual method adopted in such Reports as "Criminal Statistics" and "Unclaimed Balances" could be extended to other Reports with advantage. This can best be done when the translation is made in the Department of origin itself. One Report with the headlines printed in both languages is an economy over two, both in time and money.

FRENCH HANSARD.

In the matter of Hansard, there is not so much cause for complaint of delay or discrimination between the two languages. Indeed here, the French language is granted greater privileges than the English. Speeches made in the House are taken down as delivered, whether in English or French, and are printed and distributed as "Unrevised Hansard" the following morning. We have made inquiries into the feasibility of having the French translation of the English portion of Hansard reports printed concurrently with Unrevised Hansard; but if it were attempted, it would necessarily for various reasons be so imperfect that we do not recommend it. After

the original Unrevised Hansard is in print, a translation into French is made of all speeches delivered in English and this is printed and distributed the following day as the French Unrevised Edition. No similar service is performed for the English reader by the translation of speeches delivered in French into English at this stage, and the English speaking public do not get a translation of the French portion until considerably later on when the revised edition appears. Moreover, a fortnightly index is issued of the French unrevised version, while no similar index is issued in English, although it could be compiled with very great advantage to Members of Parliament at a very slight additional expense. Later on, after corrections of their speeches have been made by the Members themselves, "Revised Hansard" is prepared and translated into both languages, and indexed, and distributed. As a general rule the French Unrevised Hansard is distributed within thirty-six hours of the delivery of the speeches. Delays, however, occasionally take place which are sometimes attributable to delay in sending the translation to the Bureau and sometimes to carelessness among the distribution officials, either at the Bureau or in the House of Commons. There is no good reason why the French Unrevised Hansard should not be distributed at the House of Commons before noon on the second day after the debate has taken place.

It may be well to mention at this point that the staff which translates Hansard is entirely separate and distinct from that which translates the Departmental reports and other Parliamentary publications. The former, composed of a Chief Translator and eleven other translators, have offices in Sussex Street; two of their number being permanently stationed at the Bureau for the purpose of proofreading and correcting translation. The latter, composed of a Chief Translater and nine translators, have their offices in the House of Commons. Just as in the case of the French copy supplied by the Parliamentary translators, the officials of the Bureau complain of the poor copy supplied by the Hansard translators. The chief cause of complaint is that after the type is set up the proof is amended, not only for typographical errors, but for the purpose of improving the translation itself. It has been admitted by the Chief Translator of Hansard that this is true in some cases; and his explanation is that some members of the staff are incompetent and others do not attend to their duties. He himself is at a serious disadvantage; for though styled Chief Translator and under the Rules of the House having special duties assigned to him, he is in the same grade of the Civil Service and receives the same salary as all but one of the other translators. This condition renders the exercise of efficient control by him a matter of great difficulty. His office should carry with it a higher position in the Service and a better salary than that of the other translators in the Debates Branch, who should be definitely placed under him; and he should be made in fact, as he is now in name, the head of the branch.

Five typewriting machines have been supplied to the Hansard Translators; but they are only used in cases of great pressure, as the translators have to pay for the services of the persons who operate them out of their own pockets. We consider that persons to operate these typewriting machines should be employed and paid for by the Government and that all copy should be sent to the Bureau in typewriting, properly edited and with the translation properly corrected in advance. If typewriter assistants were employed and inefficient and careless translators dismissed, there is no doubt that better results could be obtained and a saving effected, not only in the Printing account, but also in respect of the staff of translators.

The whole matter of the French version of official publications demands serious attention. We satisfied ourselves by personal inspection that the complaints of the officers of the Printing Bureau regarding the copy are well founded. The same condition existed at the time of the investigation of 1910 and Messrs. Hyde and O'Connor called attention to it in strong terms. When they are face to face with the

conditions complained of and no effort is made to remedy them, there is no wonder that the Bureau officials become discouraged and take little interest in turning out the French Edition in good condition and up to time.

PARLIAMENTARY BLUE BOOKS.

There can be little question that a great improvement could be effected in the character and material of the Annual Departmental Reports printed by Order of Parliament. Not only is there in some instances, duplication and overlapping in the reports printed by different Departments, but in some reports the material is ill-arranged. Some of it, we would consider unnecessary and apparently inserted for the purpose of filling. We would not wish it to be understood that these remarks apply generally—some of the Blue Books are excellent compilations.

In both England and the United States, the question has received much attention and different methods have been employed to deal with it. Neither of these methods, in our opinion, quite meet the situation in Canada. The Civil Service Commission in 1907 recommended that the Blue Books should be reviewed by some authoritative body with a view to their simplification and co-ordination, and suggested a joint Committee of the two Houses. Later on, the then Secretary of State in his report of November 8th, 1910, spoke of the importance of the question and the saving to be effected by a satisfactory solution and recoommended another method of dealing with it. The late Government, however, took no action. Pending the creation of some authoritative body which could go thoroughly into the matter, we beg to offer some suggestions regarding the handling and distribution of the Blue Books in their present form, which we hope may prevent much of the waste which now takes place.

DISTRIBUTION OF OFFICIAL DOCUMENTS.

The free distribution is carried out from two separate mailing lists—Parliamentary and Departmental. The Parliamentary distribution is done direct from the Bureau, while the Departmental is done by the Departments themselves, with the exception of the *Labour Gazette* and the Exchequer Court Reports, which are distributed by the Bureau. For the Parliamentary distribution, two lists are supplied —one by the Joint Committee on Printing and the other by the Debates Committee. The former list is never revised, while the latter is corrected each year. No comparison is ever made between these lists and the Departmental lists. The official in charge of the Distribution Room at the Bureau has only held the office for a short time. He gave it as his opinion that not only are there cases of duplication of names, but even of triplication, when the distribution by Members of Parliament is taken into consideration. In looking over the lists, he had found the names of men who had been dead for years and of Clubs and other institutions that to his knowledge had gone out of existence, to whom reports of all kinds, including bound copies of Hansard, etc., were being sent. Strange as it may seem, even in the Bureau itself, there is a second branch sending out mailing matter, including the *Canada Gazette*, *Labour Gazette* and Court Reports. The mailing list of the *Canada Gazette* a few weeks ago showed amongst other such instances, that the *Gazette* was still being sent out addressed to a Judge who had been dead for more than ten years. The Distribution Branch has been working short-handed for some time. It should be strengthened at once and the official in charge given an opportunity to go thoroughly into this question.

Each Department has its own mailing list also; and some of them which send out a large quantity of printed matter have a considerable staff constantly engaged in the work of mailing.

EXTRA COPIES.

That there is a great deal of waste cannot be doubted. A reference to the annual report of the Department of Printing and Stationery for 1911 shows that some 12,500 copies of various Annual Reports were that year printed at the Bureau over and above those that were distributed or taken into stock. On inquiring as to what became of these we were told that there was nearly always a surplus of each Departmental Report after the distribution was made, and that these were thrown into the waste-paper basket. If these figures are correctly given, they show that on the average two hundred and forty more copies of every annual report, both English and French, are printed than are required and that the surplus copies are immediately thrown away—a condition that seems almost incredible. The head of the Distribution Branch gave us a list of some fourteen hundred and sixty volumes of Blue Books just printed that, within the last two or three weeks, he had had to consign to the waste-paper basket as the Departments refused to take any more and he had no place to keep them. Waste paper is collected from the Houses of Parliament, Government Departments, and the Printing Bureau, by a contractor who pays so much for the privilege; collects perhaps from three hundred to four hundred tons a year of paper of all descriptions, including bound books; and sells it to various paper manufacturing companies. One of the companies informed us that in a single year they had themselves received fifty-seven and a half tons of books alone from this source. And it must be remembered that this only accounts for a portion of the waste in Ottawa. Outside of Ottawa, the waste is probably as bad or worse. People have a fancy that they would like a certain Blue Book and by some means get on the mailing list. Once there, the book is regularly sent; although the person to whom it is addressed may long have got over his fancy and may throw the book away as soon as received. Two copies of every Departmental report, as well as large numbers of the reports of Standing Committees are sent to every Member of Parliament, whether they want them or not. To many Members they are simply a nuisance, and after encumbering the mail, are consigned to the waste-paper basket. Certain of the Blue Books are of special interest to certain Members and are the only ones they look at; while other Blue Books are of interest to other Members. Why should not a Member select what books he wants and have those only sent to him? Nor does the only waste occur when the books arrive at their destination. As we have already pointed out, thousands more are printed than can be disposed of or even kept in stock; and within a few hours of completion are consigned to the waste-paper basket without ever leaving the Bureau. We have little doubt also that there are more sent to some Departments than are wanted there.

DISTRIBUTION DIRECT FROM THE BUREAU.

We would urge most strongly that the distribution of all printed documents be carried out direct from the Bureau. Each Department should send its regular mailing list there, as the Department of Labour already does in respect of the *Labour Gazette*. These lists should be scrutinized carefully and compared with the Parliamentary lists to see that there is no duplication, and one general mailing list for the free distribution of documents should be made out. Copies of the list should be sent to the various Departments, and revisions thereof forwarded monthly by them to the Bureau, where there should be an official regularly charged with keeping the mailing lists up to date. This official should keep in close touch with all Departments for mutual assistance with this end in view. He should also communicate from time to time with private individuals, institutions, and newspapers who are on the list, with a view to ascertain whether they make use of the reports, and desire any or all of them continued. We believe that by the use of care and discretion, it would be found possible to reduce the free mailing list to an enormous extent, and to do so

without preventing any one entitled to receive official publications from obtaining all reports that he is able to make use of. These latter proposals would not, of course, apply to documents such as those issued by the Agriculture, Immigration or other Departments for educational and like purposes, which are printed at the expense of the Departments themselves. The distribution of these would still be at the discretion of the Departmental officials, though the actual work of despatching would be done direct by the Bureau; nor would they prevent each Department receiving a supply for casual distribution or for its own use.

DISTRIBUTION TO MEMBERS.

In regard to distribution to Members of Parliament, we would suggest that a printed list of all documents, as published, be sent to each Member weekly, with a requisition attached, in convenient form for mailing, whereon he could indicate which of them he desires to have sent to him.

METHOD OF DISTRIBUTION.

If the foregoing proposals are carried out, we are satisfied that they will result in an enormous annual saving to the Government, both in respect of the number of documents required and also in respect of the cost of folding, addressing and mailing those which are sent out. The Printing of Parliament last year cost $314,053.41. The substantial reduction which may be looked for in the number of copies printed and sent out, would mean a considerable diminution in this sum, as well as a considerable saving to the mail service.

The saving which can be brought about by centralizing the distribution of documents at the Bureau will mount up into many thousands of dollars. There are many millions of documents distributed annually by the Departments as well as those sent out direct from the Bureau. Several of the Departments have addressing machines, but the Bureau, although it has an addressing machine, still in the main adheres to the old method of sticking on a printed address by hand. None of them have wrapping machinery and a very large number of publications are sent out in envelopes. The saving in envelopes alone by the use of a modern mailing machine should amount to some $6,000 or $8,000 annually. For instance, envelopes to the value of nearly $5,500 are used yearly for this purpose by the Departments of Agriculture, Trade and Commerce and the Post Office alone.

A mailing machine such as is in use in many establishments in the United States, not only addresses, but wraps and pastes the documents ready for mailing and delivers them into mail bags ready for despatch direct to the mail car.

The amount of matter which would be daily despatched from the Bureau would justify the creation of a Sub-Post Office there and the documents could be sorted into the bags for the different points on the spot. This would be done by the machine automatically. The expense of handling many times over would be saved.

At present, the usual process that a single document has to go through is as follows:—It is tied up roughly into a bundle with others, at the Bureau and delivered to the carter who drives it to the Department. There it has to be carried in and deposited in the office where it is to be prepared for mailing. Then it is separated from its companions, wrapped and pasted by hand and passed through the addressing machine. Or, it may be, it is placed in an envelope already addressed. It is then again carried to a mail cart, which takes it to the Post Office where it is sorted into its proper bag and conveyed from the Post Office to the train.

The plan we propose saves all this. The book as it comes from the printer passes direct to the distribution room where it is put through the mailing machine, which in turn delivers it into the mail bag, which is conveyed direct to the train.

The saving effected by one of these large mailing machines is very great. The makers claim that the machine worked by one man and two girls will handle from 3,000 to 5,000 publications per hour. That is, it will wrap, paste, address and deliver them into the mail bags. We belive that the salaries of probably some fifteen men at least now employed throughout the Service, on this work alone, could be saved; the number of carters necessitated by the double handling reduced; and the Post Office work greatly facilitated. Further, by having documents sent out direct from the Bureau, the official in charge there could be able to see that no larger number of copies of each document were printed then were actually necessary. Let us reiterate that in making these recommendations we are referring only to documents sent out on regular mailing lists. The Departments will still keep in their own hands what may be termed "casual" distribution.

STANDARDIZATION OF STATIONERY.

The question of the Standardization of Stationery and office Supplies is one of long standing. In the year 1910, the Under Secretary of State held a conference with the Deputy Heads of the various Departments, at which this question among others was the subject of discussion. Mr. Mulvey reported that the project was highly approved of by all, and that there was no reason why it should not be brought about when the then surplus stock of stationery at the Bureau was disposed of. In addition to corresponding with the Deputies, the Commissioners took evidence from the officials in charge of stationery in various Departments, in order to learn their views from a practical standpoint. There was a general consensus of opinion in its favour, and the Commissioners recommend that standardization be undertaken without delay, with a view to having regular standard sizes and qualities of stationery definitely established, and the present very large variety of articles which may be requisitioned for greatly reduced. The Superintendent of Stationery informed us that he had for some time been at work on this subject, but while we do not wish to minimize in any way the great value his experience must be in such a matter, we feel that any individual who sets out by himself to draw up a list of articles to the use of which the various Departments are to be restricted, would work under a serious handicap. We would, therefore, propose that a Committee be formed composed of Mr. Patenaude and the Clerks in charge of Stationery in three or four of the largest Departments. In addition to standardization in the ordinary sense, they might consider the question of uniformity in size and style of Government cheques, pay-lists, invoices, etc. They should also take into special consideration the qualities of paper, ink, and carbon paper with a view to ensuring the permanency of official documents. We are of opinion that one of the aims of the Committee should be to reduce the number of the various grades, qualities and sizes of stationery supplies to the lowest figure, consistent with efficiency. Concentration in a smaller list of articles would mean a saving both in the Bureau and the Departments. By reason of the larger quantity of each article that would be required, it would also enable tenders to be more easily called for their supply; and by bringing in competition, reduce the prices paid. There would also be less probability of articles deteriorating, or getting out of date, and the stock on hand as a whole need not be so large as at present. As far as possible all paper supplies should be watermarked and other articles stamped "Government of Canada."

As soon as the work of the Committee is completed and a revised stock list has been approved of by the Governor-in-Council, a distinguishing number, or letter, or both should be assigned to each and every item for the purpose of identification and of facilitating requisitions. These distinguishing numbers or letters should be arranged in series in such a way as in themselves to indicate the nature of the item.

A stock book should be kept in the stores branch in which should be assigned to each item, in regular order, sufficient space to keep a continuous record of the quantities received and issued and the balance on hand after each entry.

In regard to each separate item a certain quantity should be established as the minimum to which the stock may be reduced before being replenished. This minimum quantity should be entered against each item so that a report can be made instantly to the Superintendent when the stock falls below it.

This procedure would enable a comparison to be made at any moment of the quantity of any goods actually in stock with the quantity appearing in the books.

TYPEWRITER MACHINES.

In regard to typewriters we have made special inquiries. There are a number of different makes in use, and the prices paid for them are little if anything lower than those for which they can be purchased individually by the public. A large number of typewriters are purchased each year, some for renewal of worn out stock, and some on account of increasing business. Last year the number of new typewriters bought was four hundred and thirty for a sum of nearly $56,000 or an average price of $130 each. A report on the subject shows that eighty-eight worn typewriters replaced by new ones during that time were allowed for by the agents at an average of $25 apiece. It is open to question whether many of these could not have been made serviceable at small cost. A typewriter was purchased in 1910 for $145 and was allowed for on a new purchase nineteen months later at $15. The Commissioners are of opinion in view of the fact that the single keyboard is now coming almost universally into use, there would be little inconvenience if in future one make of typewriter were supplied for the whole Service. There is no doubt but that like some of the large commercial establishments, the Government would be able to obtain their typewriters at a greatly reduced price, by advertising for tenders for the whole Government supply for one or more years, and having the different manufacturers compete with each other for the order. Tenders might be asked for the supply of say four or five hundred machines, to be delivered from time to time as required and, as regards the Outside Service, at any points where they might be wanted. Most firms are prepared to deliver machines at about the same price in any part of the Dominion. It has been currently reported in the Press that the prices quoted to the Western Union Telegraph Company for the filling of a large contract by the makers of the best known machines ranged from $42 to $65. Similarly the Government should be able to make a contract which would save half of the large sum at present annually expended.

The Commissioners believe that, in addition to the apparently excessive number of old machines being discarded, there is some loss to the Government in the repairing of typewriters. There should either be an expert specially engaged to keep all Government typewriters in order; or an Inspector to look at machines to which repairs are required, estimate the nature and value of such repairs, and check the amount chargeable for the same. In either case, such official should be borne on the staff of the Superintendent of Stores.

STATIONERY STOCK ON HAND.

The inventory of stock on hand in the Stationery Branch on the 8th August, 1910, given in the report of Messrs. Hyde and O'Connor, showed a valuation of $283,424.30. The present Superintendent has been able to reduce this until in the inventory taken in the present year the stock amounted to only $174,423. The former valuation, however, was at the "issue" price, while the latter was at "cost" price.

On the other hand Bureau supplies to the value of $13,492.35, which have not previously been calculated, have now been included in the valuation. It has been pointed out to us, that this inventory still includes typewriter ribbons to the value of about $21,000.00, which have now become useless, in so far as the Government Service is concerned, and carbon paper to the value of about $5,000.00, which is also now of no value. We are of opinion that this useless stock should not appear year after year as an asset, but that it should now be disposed of by auction. This is an exceptional case and its treatment should not be taken as a precedent. With proper precautions a recurrence of the trouble should be impossible.

WEIGHING GOODS IN.

We are not satisfied that the checking of goods received into store is thoroughly and accurately carried out. Messrs. Hyde and O'Connor called attention to the fact that in the case of heavy weight papers, only a few rolls were weighed, and if they scaled right the balance were assumed to be correct. We could not find that any additional precautions had since been taken to protect the interests of the Bureau. Further than that, having noticed that one of the scales appeared to be out of order, we requested an inspection by the proper authorities, with the result that it was found that of the five scales in the Bureau ranging from fifty-five pounds capacity to two thousand five hundred pounds, three were incorrect, including the largest, which had not been tested since 1898. One of the scales had not been tested for thirty-five years.

REQUISITIONS FOR STATIONERY STORES.

We find that many of the Departments requisition for stores in small quantities from day to day just as they happen to need them, without attempting to calculate in advance the amount that they will require and making periodical requisitions therefor. Some of the Departments require this latter procedure from their Outside Service, and we recommend that it should be done as much as possible by the Departments themselves in their dealings with the Bureau.

STORES FOR THE OUTSIDE SERVICE.

It has been brought to our notice that considerable waste of stationery supplies takes place in some offices in the Outside Service. In making requisitions officials should give a statement of all supplies expended and still on hand, and these should be closely checked up. Requisitions for stores required for the Outside Service should be filled at the Bureau and the goods packed and distributed direct from there. This is done to a small extent now, and should be carried out universally in the future. It would save the double handling from the Bureau to the Department and from the Department to the Post or Express Office. This, of course, does not apply to such things as typewriters and typewriter desks for distant points, which it may be found more economical to purchase locally. If our recommendations in regard to the direct distribution of documents is carried out, all parcels for mail would be handed to the Post Office at the Bureau.

GENERAL REMARKS.

One official after another has called our attention to the difficulty they labour under owing to the excessive noise in the large general office of the Bureau. After the investigation of 1910, partitions were torn down and a number of separate offices were merged into one large room, where from thirty-five to forty clerks are now employed. In this room, business is also done with the public and six separate

telephones are constantly in use, as well as numerous typewriters, adding machines, etc. The clerical staff of three different Branches are seated side by side and the noise and bustle all round must be most distracting. We are informed by officials engaged in calculations and figuring that it is almost impossible for them to do their work. We hesitate to recommend partitioning up the whole office again in its original form, but we think that something must be done to deaden the present babel of noise. Possibly the different branches now all in the same room might be partitioned off from each other, or at least some of the noisiest portions of the room should be partitioned off. This is a matter of detail which could be well left to the proposed Board to agree upon. It is possible some of the old partitions may be still in existence or glass partitions might be used with advantage.

There is now only one system of lighting at the Bureau—electricity—and on two occasions within a single week this was cut off for a period, putting a stop to work until the wires were repaired. In an establishment employing so many hands every stoppage, whether of long or short duration, is a matter of considerable loss; but in addition to this there might be considerable danger in such numbers of men and women having to leave the building in the dark. Gas is already supplied to the Bureau for manufacturing purposes and gas lights might at least be supplied at the time clocks and in the passages and on the stairways for use in an emergency.

We are glad to find that in several respects changes and reforms which were suggested and discussed during our examination of some of the leading officers have already been carried out. We have, therefore, considered it unnecessary to mention them in this report. We desire to thank the officials who gave us so much assistance during our enquiries. We were impressed generally by the zeal for their own particular work which was apparent in most of the officers with whom we came in contact. If any changes in organization made in consequence of this report result in closer co-operation of the various branches, we are confident that the spirit we have observed will result in greatly enhancing the value of the whole Department.

All of which is respectfully submitted.

G. N. DUCHARME,

R. S. LAKE,

Commissioners.

Ottawa, 8th November, 1912.

SUB-REPORT RE DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

By Messrs. Price, Waterhouse & Co.

MONTREAL, June 26, 1912.

The Public Service Commission,
Ottawa, Canada.

DEAR SIRS,—Acting under your instructions we have made an investigation of the business methods of the Department of Public Printing and Stationery, and now have the honour to submit the following report on the results of our examination.

The scope of our enquiry, which was in the main determined upon as a result of conferences with your Commission, called for an investigation of the entire business system, including the methods of accounting in force, with a view to determining what changes or improvements could be instituted in the organization and conduct thereof; but it has not been extended to cover a detailed audit of the transactions of the Department.

Many of the recommendations made herein must be considered as tentative, as we have not had an opportunity to fully consider the relationship of this Department to other branches of the service; and more particularly to the Departments of the Auditor General and of Finance.

We would wish to make it clear that our criticisms are directed at methods and not at individuals and that we are impressed by the fact that a general desire for improvement appears to pervade the Department, and that several important reforms have been recently instituted.

In making recommendations in this report we have not considered the limitations of the existing laws and it is possible that in order to carry into effect some of the suggestions, it may be necessary to revise the present statutes.

ORGANIZATION OF THE DEPARTMENT.

The Department was established in 1886 by Act of Parliament entitled "An Act respecting the Department of Public Printing and Stationery" (49 Victoria, Chap. 22), which has been amended from time to time. The revised Act under which the Department is operating at present is set forth in Chap. 80 of the Revised Statutes, 1906.

The Department is presided over by the Secretary of State and the service is directly administered by the King's Printer and Controller of Stationery, who is the Deputy Head of the Department.

The King's Printer is appointed by the Governor in Council by commission under the Great Seal. The position is fillled at present by Mr. C. H. Parmelee, who has held office since February 1, 1909. His duties, as set forth in Section 5 of the Act, are as follows:—

(*a*) The execution and audit of all printing, stereotyping, lithographing, binding work, or work of a like nature, and the procuring of the material therefor.

(*b*) The purchase and distribution of all paper, books, and other articles of stationery of whatsoever kind.

(*c*) The sale of all books or publications issued by Parliament or other Departments.

(*d*) The audit of all accounts for advertising.

Under Sections 20 and 29 of the Act referred to it is provided that printing and stationery for the use of the Intercolonial Railway and the Prince Edward Island Railway do not require to be obtained from the Department, but all accounts therefor must be examined and certified by the King's Printer before payment.

We note that the King's Printer audits the accounts for advertising of the various Departments with the exception of those of the Immigration Branch. As our investigation has not included an inquiry into the operations of that Branch, we are unable to express an opinion as to whether or not it would be preferable to place its accounts under the audit of the King's Printer, but theoretically it would appear better to do so.

At the present time the work of the Department is divided into the following four main sections, viz.: Purchasing, Stationery Stores and Distribution, Printing, and Accounting. No clear line of demarcation is drawn between the work of these divisions, but for the sake of convenient reference and in order that you may more clearly follow out the work of the Department as a whole, we would report upon the work and methods of each in the order named.

PURCHASING.

The work of purchasing is one of the most important divisions of the Department. During the year ended March 31, 1912, the purchases aggregated over one million dollars, of which about one-third represented the value of the printing and lithographic work placed outside.

The officials of the Bureau who are now in charge of the purchasing, subject to the approval of the King's Printer, are:

(*a*) The Purchasing Agent.
(*b*) The Superintendent of Printing.

(*a*) *Purchasing Agent.*

The present Purchasing Agent, Mr. S. P. Grant, was appointed by the Secretary of State in February, 1911, without an Order in Council, presumably with a view to affording a check on the purchases of the entire organization. His duties appear, however, to be limited to the purchase of supplies for the Stationery Department and miscellaneous supplies for the Printing Bureau.

We are informed that about forty orders on an average pass through the Purchasing Agent's office each day, or, say, 12,000 orders a year and about twenty or thirty letters each day.

The methods of ordering and purchasing which are followed differ according to the quantities and nature of the supplies required, but they may be considered under the following classifications:—

(*a*) Orders for supplies in large quantities which are filled by formal tenders received in response to request by the Purchasing Agent.
(*b*) Orders for supplies which are filled by quotations received by letter upon request of the Purchasing Agent.
(*c*) Orders for small supplies under $100 in value, made by Purchasing Agent upon his own authority.

Tenders are invited by letters addressed to dealers and not by advertisement; a list of dealers is kept in the Department but invitations to tender are not necessarily limited to names appearing on this list.

In the case of the larger purchases tenders are received by registered mail and are opened on a given date by the King's Printer in the presence of two witnesses, who initial them. The award is made by the King's Printer and it is claimed that the lowest bid is accepted, provided conditions as to quality and delivery, etc., are complied with. We examined the tenders for a period approximating two years and so far as we could determine the rules regarding their award had been complied with, excepting in some instances of minor importance.

In the case of purchase of supplies by quotations, the letters from dealers quoting prices are received by the Purchasing Agent and he decides which quotation is to be accepted. As a general rule the lowest quotation is accepted, as appears from the test examiination which we made of the quotation letters.

We note that in the purchase of Stationery Supplies the Purchasing Agent is assisted by the Superintendent of Stores and that the latter interviews dealers and issues orders. The practice of permitting the Superintendent of Stores, who is responsible for the custody and issue of stores, to take part in their purchase is to be condemned. The creation of the office of Purchasing Agent was presumably intended largely as a check upon the Superintendent of Stores, who in turn acts as a check upon the former. To combine, even to a limited extent, the duties of the two offices is in effect to render the check entirely ineffective.

(*b*) *Superintendent of Printing*:

This office is at present held by Mr. F. Boardman. Formerly the Superintendent of Printing purchased all supplies required for the Printing Department, but this is now done by the Purchasing Agent and the duties of the Superintendent, so far as purchasing goes, are confined to the placing of orders for outside lithographic and printing work.

In the case of lithographing work, quotations, and sometimes tenders are called for; these, however, are not received by registered mail. In the case of outside printing, a fixed schedule of rates drawn up by the Department is in force and the work is given out without advertisement or tender.

In our opinion the Superintendent of Printing should not be permitted to place orders with outside firms without some check, and we would suggest that all his requisitions for such work should be made to, and passed by, the Purchasing Agent as to price and other general conditions.

All supplies are purchased on requisition of the Superintendent of Stores or the Superintendent of Printing. Orders given by the Purchasing Agent are made out in triplicate, the first copy going to the dealer, the second being retained on file by the Purchasing Agent after approval by the King's Printer, and the third copy being filed in the office of the Superintendent of Stores.

The unfilled orders are kept on a special file arranged according to dealers. When we examined the files towards the middle of May about 500 orders were apparently open, but it was found that a number of these had already been filled and that the orders had not been removed from the files. Greater care should be given to keeping the files up to date, and we think that information in regard to unfilled orders would more readily be obtained if contract orders were kept on a separate file, and if orders remaining unfilled for an unusual length of time were transferred to a special inquiry file.

STATIONERY STORES AND DISTRIBUTION.

The law constituting this division of the Public Printing and Stationery Office is set forth in the Revised Statutes 1906, Sections 21-29, which provide for the appointment of a Superintendent of Stationery.

The work of the division is at present in charge of Mr. J. O. Patenaude, who was appointed by Order in Council, and who has the title of Superintendent of Stores and Distribution.

We append hereto Exhibit 3, a comparative statement of the expenditures of this division for the past five years.

The following statement of stocks and issues will give an idea of the volume of the transactions of the department:—

March 31st		Stocks carried.	Issues.		Total.
			To Departments.	To Printing Bureau.	
		$ cts.	$ cts.	$ cts.	$ cts.
1908	Issue price..	201,568 09	363,534 02	216,493 73	580,027 75
1909	" ..	243,258 43	388,008 22	225,508 23	613,516 45
1910	" ..	256,697,41	390,459 93	222,442,62	612,902 55
1911	Cost price..	194,690 66	362,171 85	258 877 63	621,049 48
1912	" ..	174,423 29	452,905 49	321,586 91	774,492 40

RECEIPT OF SUPPLIES AND APPROVAL OF INVOICES

All supplies received are inspected by the Superintendent of Stores, and in the case of paper special tests of both samples and deliveries are made by an assistant.

Paper undergoes a mechanical test for strength and a chemical test for the purpose of ascertaining whether ground wood, which causes deterioration, has been used in its manufacture.

The invoices covering purchases are handed to the 'checker' or receiving clerk, who is responsible to the Superintendent of Stores, and are certified as to the receipt of the goods by two individuals. The Purchasing Agent then verifies the prices on the invoices by two assistants, who certify that the prices charged are correct and that they are fair and just. The invoice is also stamped by the Purchasing Agent and Superintendent of Stores as to the date the invoice was received in the respective Departments.

One copy of the invoice is retained by the Superintendent of Stores so that the Stock Register may be written up therefrom. The Purchasing Agent also retains a copy and two copies are forwarded to the Accountant, whose department certifies as to the correctness of the extensions and additions.

The invoice is retained in the Accountant's Department until the end of the month, when particulars are entered in a register or purchase day-book and also on to a "backing" or "voucher" for payment, and the total of the "backing" is posted to the credit of the merchant in a purchase ledger. At the end of the month the backing, with the invoices attached, is forwarded to the Auditor General after being stamped "paid" and the number of the cheque noted.

STOCK RECORDS.

A stock register is kept, part of it being represented by loose leaf records and part, containing miscellaneous supplies, by card records. Little practical use, however, appears to be made of these records, as will be apparent from a consideration of the following points:—

(*a*) The Stock Ledger is not kept up to date.

(*b*) The Ledger is not added up until the end of the year.

(*c*) The balances as shown by the Stock Ledger are not compared with the quantities as shown in the physical inventory until a considerable time after the

close of the year and then little attention appears to be given to the averages and shortages. It is claimed that they about offset but the results should be most carefully looked into.

(*d*) No balances are taken at any time during the year.

(*e*) From a comparison of the book with the physical quantities on hand at the end of March 1911, it is evident that either there are numerous errors in posting or the physical inventory at that date was incorrect.

If the expense of maintaining a Stock Register is incurred, this Register should be kept up to date and with reasonable accuracy so that the Superintendent of Stores would be in a position to furnish the Purchasing Agent with the Stock on hand of any article at any given date as well as the consumption. It is obvious that unless the balances as shown by the Stock Register are frequently compared with the physical quantities on hand, no explanation of the shrinkage in the stock can be given at the end of the year and there is no means of detecting leakages or mistakes in weight or quantities delivered.

Inventories of Supplies on hand are taken at the end of the fiscal year, the Department being closed, so far as regards issues of Stock, for about ten days. The work of counting and listing supplies is performed by the Stationery Office employees under the supervision of three clerks from the staff of the Auditor General. The prices are entered by one of the clerks of the Stationery Office from his price register and checked by a representative of the Auditor General. The extensions are made in the Stationery Office and checked by the staff of the Auditor General.

The inventory at March 31, 1912, has been valued at cost. It would appear, however, that it includes a number of articles which have been on hand for some considerable time and which are not now worth the amount originally paid for them; as for example, large purchases of typewriter ribbons and carbons were made some years ago and, as the styles of machines have changed in the meantime, it is not possible to use this stock. The Superintendent of Stores has estimated that stock which is more or less obsolete is included in the inventory of March 31, 1912, at values aggregating at least $18,982.68.

We would emphasize the importance of standardizing the supplies which can, however, only properly be done by the co-operation of the various Government Departments. Grades should be established, and, in the catalogue of stock which is furnished to the Departments, grades only should be referred to.

In this connection we would mention that in the course of our work we have noticed that the forms used for identical purposes differ in design, quality of paper, form of type, etc., not only in this but in other departments. We would recommend that steps be taken to standardize these forms. For instance, all cheques, pay sheets, invoices and vouchers should be uniform in style and size. There can be no doubt economies could be effected in this way, especially if the Printing and Stationery Offices had the co-operation of all the Departments.

At the present time no controlling account is carried on the General Ledger to show the value of the Supplies on hand. We would suggest that the Supplies should be divided into a number of classes and that each class should be controlled by an account in the General Ledger, or on a ledger subsidiary thereto kept in the Accountant's Department. The Stock Records would be kept in the Stationery Department as at present in quantities only, but each account should be periodically checked up by physical inventory. At the end of each quarter or half year the quantities shown on stock records should be priced and their value extended and grouped according to the classes controlled by the General Ledger. This would enable the Accountant to keep a strict check over the correctness of the store records, as the value of each class of Supplies should approximately agree with the balance on the ledger account carried by him. This system would also obviate the necessity of closing the department at the

end of the fiscal year for stock taking purposes, as physical inventories of the various supplies would be taken throughout the year when the stocks were lowest or at such times as were most convenient.

Issues of Supplies.

Issues from stores are made according to the requisitions from the Departments. These requisitions are copied into the Entry Sales Book and the issues of the various articles are posted daily from that book to stock issue sheets. These sheets are totalled weekly and the total posted to the credit of the Stock Ledger accounts.

We are informed that considerable delays occur in posting the total weekly issues to the credit of the Stock Ledger. The reason given is that goods are constantly being returned and the present practice is to alter the original entry in respect of returns before posting. We would consider it better to issue credit notes for returns as is usually done in the case of private corporations.

We notice that the method of requisitioning varies according to the Departments. Some make frequent requisitions for small quantities and others appear to requisition to supply stock, which they evidently carry in their own departments. In this connection it would be desirable to ascertain precisely what methods are employed in the various departments with regard to stationery, more particularly in estimating requirements. It would appear that under Section 35 of the Stationery Act the Minister may require the departments to submit detailed estimates of the quantities, varieties, qualities and values of both the printing and stationery required. Such estimates, if properly used, would undoubtedly be of material assistance to the Superintendent of Stationery in ordering supplies for stock.

Requisitions for the issue of supplies are received in duplicate, the original being retained on file and the duplicate being returned with the goods. The department receiving the goods is supposed to return the duplicate requisition, stamped as to the receipt of the supplies, but this practice does not appear to be always carried out.

At the end of each month the original requisition is priced and extended and is checked with the Sales Entry Book (or Shipment Book) and attached to a "backing", which is sent to the Auditor General as evidence of having supplied the goods to the departments. Where the requisition is not completely filled, a transfer slip is made out in duplicate and the missing items on the requisition marked "later on" or "ordered". When these delayed items are filled the transfer is attached to the backing and forwarded to the Auditor General as evidence of delivery.

The present system in regard to the requisition and issue of goods could be improved upon, but without a knowledge of the systems in force in the various departments of the Government and the individual requirements of each, and of the Auditor General, it is not possible to come to a conclusion as to the best method to be adopted.

Distribution of Stationery Department Expense.

In order to cover the expense of operating the Stationery Office arbitrary percentages are added to the cost value of the stationery sold to the departments from stock (the percentages being added to supplies which do not pass through the stock), which are as follows:—

Blue Book paper	20%	on cost value.
Tender paper	15%	"
Ledger paper	10%	"
Sundry small stock	5%	"

These rates have not been changed for some years; they were originally fixed by the Superintendent of Stationery, as being sufficient to absorb the proportion of the expenses of the Stationery Office which are actually charged.

Under the present system it is not possible to say definitely whether the percentages added to the cost of goods issued in the aggregate fairly represent the total expense of the Stationery Department.

The danger in present methods is that under certain conditions too large percentages might be added for the purpose of covering up shortages or shrinkages in the stock. We think that it is desirable to instal some system whereby the total amount of overhead added during the year could be ascertained and compared with the total expenses of the Stationery Department.

The question as to whether the percentages added to the different classes of stock are *inter se* fair and equitable is a matter which should be carefully considered from a practical operating standpoint.

The percentages added to the cost of goods issued do not include any provision for the proportion of the following indirect or overhead expenses:—

(*a*) Accounting Division.
(*b*) General cost of administration, such as King's Printer's salary, etc.
(*c*) Rent, telephone, furniture, etc.
(*d*) Part of the cost of cleaning.
(*e*) Depreciation of equipment and provision for renewals.

PRINTING.

The Superintendent of Printing, Mr. F. Boardman, exercises a general supervision of the operation of the department, and has control and direction of the accounts relating to cost, in addition to placing orders for outside work already noted herein under the head of Purchasing. We append (Exhibit 3) a comparative statement of the expenditures of the past five years for the Printing Bureau.

We are submitting a statement of the value of the work placed outside during the past five years (Exhibit 4), but it is not practicable to make a separation between printing work and lithographic work. Broadly speaking, the printing work given out is said to be about fifty per cent of the entire outside work.

We find that the ratio between the value of the printing and lithographic work done outside and inside the Printing Bureau is as follows:—

	Total.	Work in Printing Bureau.	% of Total.	Outside.	% of Total.
	$ cts.	$ cts.		$ cts.	
1907-08	880,252 28	639,248 75	72	241,003 53	28
1908-09	987,814 94	677,250 08	69	310,564,86	31
1909-10	988,929 58	688,316 32	70	300,613 26	30
1910-11	1,130,610 56	870,940 18	77	259,670 38	23
1911-12	1,165,455 03	873,235 92	75	292,219 11	25

A comparison of the value of work in progress at the beginning and end of the fiscal year ending March 31, 1912, may perhaps be of interest, and we therefore submit a statement herewith (Exhibit 7). We would direct attention to the fact that the inventory is not checked in any way by the Auditor General's Department as in the case of the Stationery stock.

It would appear that no proper sorting of type has been done for some years, and we are informed that a considerable quantity of old type is still in use. We would suggest that inventory records of the standing type be kept by the Controller of Composition and submitted periodically to the Superintendent of Printing.

COST SYSTEM.

As a result of the investigation made about a year and a half ago the present cost system was installed.

The system adopted and now in force is designed on the lines of the standard system adopted by the American Printers' Cost Commission in 1910. The system is fully described in a pamphlet issued by the Montreal Printers' Board of Trade, but for your information we outline below the principles upon which the cost is determined.

The elements entering into the cost of each piece of work are:—

Direct—

1. The cost of material used.
2. The cost of work done on the job outside.
3. The cost of the labour engaged directly on the job.

Indirect—

4. The proportion of the cost of the labour and shop burden in each process which is not chargeable to any particular job.
5. The proportion of the general burden or overhead expense.

The first three items of cost are known factors and are charged directly to the job.

The remaining items have necessarily to be distributed to each job on some common basis. The unit adopted is the 'chargeable' or 'productive' hour worked in each process or shop through which the job passes during the course of manufacture, excepting that in the case of monotype casters and presses the machine hour is used.

Each workman is required to fill in a time ticket showing the hours worked which are chargeable directly to jobs and the hours which are not chargeable to jobs. The chargeable hours are posted daily to the debit of the job, on a job record sheet, and the total chargeable and non-chargeable hours are compiled each day, according to the various processes.

It follows that when a job is completed the total hours spent in each process of manufacture will be shown on the individual job record sheet or cost ledger. Each month the cost of each process is ascertained; this includes the total labour expended and the proportion of the overhead expense or burden, the latter being distributed, over the various processes, as will be shown later, on the basis of the direct labour and expense.

The total chargeable hours of each process are then divided into the cost of the process and the result is the cost per chargeable hour for the process. This cost per hour is used in pricing the hours, which have already been entered on the job record sheet, thus giving the labour cost of the job in each process.

The material cost is entered from a requisition slip, details of which are entered by the Stationery Office, which supplies the material as requisitioned, and if there is any cost for outside work, say for half-tones, it is posted direct from the invoice to the job record sheet. The total cost of the job is thus completed, and the Accountant charges the Department for which the work has been done.

Having shown in a general way how the cost is arrived at, it will be as well to consider the question of overhead burden.

As already pointed out overhead burden is divided into two groups, viz., the labour cost of each process which is not directly chargeable to a job and the general expense, which is not charged to any process.

Under the system recently installed, the number of non-chargeable hours is ascertained and although the figures are not obtainable for a complete year, those for 34 weeks compare as follows:—

	Chargeable Hours.	Non-Chargeable Hours.	% of Total.
Hand Composition	204,677	47,208	18
Linotype	84,424	5,463	6
Monotype keyboard	15,379	820	5
Monotype casters	9,339	4,772	34
Stereotype Foundry	7,114	432	5·7
Bindery "A"	98,265	2,585	2·5
Bindery "B"	42,042	296	·07
Bindery "C"	163,487	1,691	1
Map Engraving	5,581	404	6
Press Room	53,767	2,977	7

In order to maintain a better check on the work of the press room, the hours are further subdivided as "make ready" and "running time" of each press. In the case of the linotype and monotype machines the chargeable and non-chargeable machine hours are recorded, and further, the output of each monotype keyboard in "ems" is prepared. Such statistical information will be of great value in enabling the management to follow in the future the efficiency of the various operations.

The proportion of overhead which may be described as general expense is made up as follows:—

(*a*) The salaries of the Superintendent of Printing and his office staff (excepting Civil Servants).
(*b*) 90% of the wages of the mechanical staff.
(*c*) 50% of the carters, shippers and messengers.
(*d*) 90% of the cleaning expense, except that which is provided out of the Contingencies Vote.
(*e*) Stationery, Postage, if any, and sundry expenses.
(*f*) Spoiled work.
(*g*) Engine room oil, waste, etc.

This overhead is apportioned to the various processes on the basis of the direct expense, and it amounts to about 15% at present. Whilst the items which are of a general character should be so divided, it would appear that the charge for the mechanics' wages should more properly be distributed to those processes where machines are used.

The overhead charges added to the printing work are not complete, however, in that several items of expense are not included. These are as follows:—

(*a*) Salaries paid to Civil Servants, including proportion of the accounting and administrative staff.
(*b*) Expenses defrayed by Public Works Department, including heat, light, power and telephone.
(*c*) Part of the cost of cleaning.
(*d*) Depreciation and renewals of buildings, plant and equipment, and interest on money invested by the Government in the land, buildings and plant.
(*e*) Insurance.
(*f*) Proportion of expense of the Auditor General's Office and Post Office Department.

We submit (Exhibit 8) a comparative statement of the cost per hour for each process showing the rates formerly in use and those which have been used in the past year. It will be seen that the rates per hour have been changed and that they have, in some instances, been considerably increased. It would appear that the rates were

first revised on April 1, 1911, and further revised on August 17, 1911, and again revised March 1, 1912, the tendency being to increase the rates on each revision. From calculations we have made it would appear that the rates charged in the past year have been too low, and it is also open to question whether the present rates are not still too low.

We are informed that under the old cost system the time worked on each job was largely a matter of estimate, if not guess work, and the method of adding a percentage to cover overhead was a purely arbitrary one.

In order to illustrate the present method of obtaining the costs we give below a table of some of the process costs for the two weeks ending April 24, 1912, showing the various ratio of each to the total per hour cost of the process.

STATEMENT SHOWING ELEMENTS ENTERING INTO COSTS OF COMPOSITION APRIL 24, 1912.

	Hand.		Linotype.		Monotype Key-board.		Monotype Caster.	
	Cents per chargeable hour	Percentage of Cost	Cents per chargeable hour	Percentage of Cost	Cents per chargeable hour	Percentage of Cost	Cents per chargeable hour Machine Hour	Percentage of Cost
Time charged direct to jobs	36·51	59·42	40·50	43·34	50·28	36·82	22·24	43·84
Shop Burden:—								
Non-chargeable time	8·04	13·08	2·71	2·90	·88	·64	8·97	17·68
Foremen and machinists	2·46	4·00	11·50	12·30	15·18	11·12	8·42	16·61
Machine men transferred to hand composition at machine rates—Difference between machine and hand rates	1,35	2·20						
Total Shop Burden	11·85	19·28	14·21	15·20	16·06	11·76	17·39	34·29
Total composing cost	48·36	78·70	54·71	58·54	66·34	48·58	39·63	78·13
Proofreading	4·40	7·16	23·12	24·74	48·44	35·47		
Sundry	·05	·10	2·47	2·64	2·62	1·92	3·97	7·83
General Overhead expense	8·63	14·04	13·16	14·08	19·17	14·03	7·12	14·04
Total cost per chargeable Hour	61·44	100·00	93·46	100·00	136·57	100·00	50·72	100·00
Rates actually charged (per hour)	65 cts.		$ 1.00		90 cts.		90 cts.	

The cost system has only been in operation a short time and it is hardly fair at the present time to offer any criticism on the rates used in the past year. We consider the fact that so much statistical information is available reflects credit on the new management.

The costs are compiled every two weeks, but as the labour and material charges are only supplied by the Accountant monthly, apportionments have to be made between months. It would appear that the cost records agree substantially with the charges made by the Accountant against the Printing Department.

A manufacturing account is kept by the Accountant, but there is no corresponding account in the Cost Department, and there is no systematic attempt to agree the charges in the manufacturing account with the charges made to individual jobs.

This should be done in order to prove that the hours charged to the jobs agree with the hours actually paid for, and the materials charged on the job sheets should be tested, if not actually agreed with the total charged to the controlling account on the general ledger.

In the course of our inquiry several suggestions for improving the cost records were brought to our notice which should be carefully considered. The more important of them are as follows:—

The practice of recording particulars of each requisition in a register has been discontinued, and the register is replaced by a card which is ultimately filed away with the job bag. It is claimed that delays in answering inquiries are occasioned by this change and further, that the work of compiling some of the tables required for the annual report is much increased and results in delay.

It is stated that errors occur in posting the hours from the time-ticket to the job record sheets by reason of the fact that mistakes occur in entering the number of the job, as the time-tickets do not contain sufficient information to ensure correct posting. This could probably be remedied by a revision of the form of time-ticket.

The method of filing job bags is unsatisfactory and could be improved, and the filing accommodation is inadequate.

The form of job-record-sheet at present in use is unnecessarily cumbersome and could be improved with advantage.

Generally speaking, we are of the opinion that the cost system, if properly carried out, should give reliable results and form a correct basis for the Departmental charge. From the information we can obtain it would appear that the present system is greatly superior to that superseded, but, as has already been pointed out, the cost of work performed does not include all overhead expense properly chargeable thereto.

In our opinion it is desirable that the true cost of service be shown, as unless this is done any comparison between the cost of work performed by the Department and the cost at which the same work could be executed outside is impossible. In making any such comparison the following considerations must be borne in mind:—

1. That no profit is added to the cost of the work.
2. That a large quantity of the work is confidential in character and requires special supervision on this account.
3. That 'rush' conditions which disturb the routine prevail at certain seasons.
4. The delays caused by Departments issuing orders to hold presses for copy, the time for which is not charged to the job.
5. The large proportion of paid holiday time.
6. No charge is made for type kept standing.

ACCOUNTING.

Under the terms of the Public Printing and Stationery Act, R.S., Chap. 80, Sec. 30, the Accountant is authorized to carry out the following duties, under the direction of the Minister and the King's Printer:—

(*a*) Audit all accounts for any of the services under the control of the Department.
(*b*) Keep accounts of the Department.
(*c*) Receive and deposit all cash paid in.
(*d*) Render statements of accounts to the Clerks of the Houses of Parliament and Deputy Heads of the several Departments.

At the present time the position is filled by Mr. J. A. Frigon, who is assisted by a head bookkeeper, Mr. F. G. Bronskill.

It would appear from the Act that it was the intention that the Accountant should fill the position of auditor of all accounts of the establishment, be responsible

for all the bookkeeping, carry out the duties of receiving cashier, and also act as paying cashier and paymaster. At the present time, however, the duties and authority of the Accountant are limited in scope, and it is open to question whether the provisions of the Act are being strictly complied with.

CASH RECEIPTS AND DISBURSEMENTS.

Under the present system of organization the Accountant collects and disburses cash and has charge of the records thereof. We would strongly recommend the appointment of a cashier to relieve the Accountant of all duties connected with the receiving and disbursing of cash, as the present plan of organization is in our opinion unsound in this respect.

Under Sec. 42, Chap. 80, of the Revised Statutes, it is provided that the Minister of Finance may from time to time authorize the advance out of the Consolidated Revenue Fund of Canada of such sum, not exceeding at any time $200,000, as the King's Printer requires, to enable him to purchase material, or for payment of wages before orders are completed and paid for.

When the Accountant requires money he makes out a requisition on the Auditor General for the amount required, usually $100,000 at one time, and in the case of sterling exchange he requisitions separately. With regard to foreign exchange fixed rates are used, any profit or loss resulting being taken up by the Finance Department.

The following information in regard to the handling of cash may perhaps be of interest to you:—

All payments are made by cheque, excepting in the case of a few petty disbursements, which are made through a Petty Cash Fund. The expenditures are not paid out of the cash receipts of the Department, but funds are provided chiefly by means of letters of credit and also by means of appropriations.

Three different forms of cheques are used, viz.:

(*a*) Expenses cheques,

(*b*) Wages cheques,

(*c*) Civil List cheques.

Expense cheques are signed by the King's Printer or Superintendent of Printing and countersigned by the Accountant or Chief Bookkeeper.

Wages cheques are signed by the Chief Bookkeeper and countersigned by a clerk representing the King's Printer.

Cheques for payment of Civil List salaries are signed by the King's Printer only.

All cheques, excepting those on the Civil List and on foreign accounts, are paid out of the letters of credit. At the end of each month a detailed list certified by the Accountant and King's Printer is sent to the Auditor General, this being made up from the expenditure cash book; and in addition a recapitulation of all the cash transactions is also forwarded monthly.

The balance on the Accountant's cash book at any given date represents the difference between the letters of credit authorized and the cheques drawn, and at the end of the fiscal year any such balance is paid over to the credit of the Receiver General. As a matter of fact the cash book is held open until some weeks after the close of the fiscal year, this period varying from year to year, according to an Order in Council made under Sec. 50, Chap. 24, R.S.

The Accountant does not make any reconciliation between his cash book and the bank account as to outstanding cheques and the paid cheques returned by the bank are not examined by him. We understand that this work is carried out in the Finance Department, but we do not know how frequently reconciliations are made and how the method of check is carried out.

GENERAL DUTIES OF ACCOUNTANT.

An analysis of expenditure is made according to appropriations and is also classified as between expenditures of the Printing Bureau and Stationery Office, but no adequate sub-division of the two latter accounts is made.

In addition to the expenditure distribution records the Accountant keeps an analysis of the pay roll, so far as it relates to the Printing Bureau, and this, together with a statement of miscellaneous charges, is handed to the representative of the Superintendent of Printing monthly. From this information the fortnightly summarized cost sheets are prepared.

The Accountant checks all invoices for goods purchased by the Stationery Department, but he does not check invoices for "outside work", this being done under the direction of the Superintendent of Printing. All purchase invoices should be handled by the Accountant's Department.

As already mentioned no controlling accounts for Supplies, etc., are now carried in the general ledger, which would enable the Accountant to furnish the King's Printer with the amount of stock on hand each month, and no attempt has hitherto been made to ascertain the amount of shrinkage in the stationery stock account. The purchase and sundry sales ledgers should also be controlled from the general ledger.

Such statistics as are kept are prepared by the various heads of Departments, and apparently the work of preparing the totals required for the annual report is left until the end of the year with the result that unnecessary delay occurs in getting out the annual statements. For instance, the annual report for the year ended March 31, 1911, was not published until January 26, 1912.

As has been pointed out the Superintendent of Stores has his own accounting staff, which is entirely independent of the Accountant, and the same remarks apply to the Superintendent of Printing, who is entirely responsible for the costing and manufacturing records, the Accountant accepting no responsibility therefor.

In our opinion the Accountant should have more scope and have complete control of all Accounting and Cost records of the Department, and he should be freed from all detail work, so that he may be in a position to personally see that the accounting work is being effectively and expeditiously carried out throughout the organization. He should furnish the King's Printer and Department Superintendents with monthly and periodical reports and be in a position to explain increases or decreases.

PAY ROLL.

Salaries and wages may be divided into two sections, the Civil List and the Temporary List.

Appointments to the Civil List are made either by examination or from the Temporary List without examination, under Sec. 37 of the Civil Service Act, Chap. 16, or by Order in Council. Dismissals from the Civil List are made by Order in Council.

With regard to the appointment of temporary employees, this is governed by Secs. 17 and 27 of the Public Printing and Stationery Act, Chap. 80. Employees are appointed to the Printing Establishment by the Superintendent of Printing with the approval of the King's Printer, and in the case of the Stationery Office by the Superintendent of Stationery with the approval of the Secretary of State. We are informed, however, as a matter of fact, that all appointments are made by the King's Printer.

The employees on the Civil List are paid out of the Civil Government appropriation and the remainder of the employees are paid from letters of credit provided by the Receiver General out of the Consolidated Revenue Fund of Canada (Sec. 42, Chap. 80).

At May 22, 1912, there were 875 employees, an approximate classification of which is as follows:—

	Total	Civil List Males	Temporary List	
			Males	Females
Administrative and Accounting	21	18	3	
Printing Bureau:—				
Administrative and Accounting	24	8	16	
Manufacture	685	.....	508	177
Stationery Office:—				
Administrative, Purchasing and Accounting	45	18	27	
Packing and shipping	21	9	12	
General utility	79	.....	38	41
Total	875	53	604	218

During the fiscal year ended March 31, 1912, the salaries and wages paid were as follows:—

Civil List	$ 64,712 41
Contingencies	2,634 97
Temporary List	578,525 14
Total	$645,872 52

We append hereto schedules setting forth the number of employees in each division of the work, with particulars as to the rates of wages paid (Exhibits 5 and 6).

We are informed that there is no record of the ages of the employees, excepting those on the Civil List, and further that there is no age limit either for engaging or superannuation of these employees. In our opinion a statement should be prepared each year showing the number of employees between 20 and 30, 30 and 40, and so forth. It would also be desirable to report the number of employees and the total wages paid in each division of the Department, so that those responsible for its efficiency may know how the staff has been increased or decreased.

Upon entering the service, temporary employees are required to fill in a card giving name, address, date of appointment and division in which employed. This information is registered in an employees' address book, which appears to be the only permanent record on file. Each employee is given a number by the timekeeper, which is used as a means of identification during the term of his employment. In the case of Civil Servants an efficiency record is kept by the Accountant as required by Sec. 40, 7-8 Edward VII., Chap. 15.

A record is kept of all misconduct reported by the foremen. The King's Printer imposes penalties where necessary, which usually take the form of suspension, the duration of which is determined by the gravity of the offence.

The office staff is required to work 36½ hours a week and the regular force 48 hours a week, the hours being as follows:—

	Morning		Afternoon	
	In	Out	In	Out
Clerks and Proofreaders	9	12	1.30	5.00
Others	8	12	1.00	5.30

All overtime is stated to be authorized by the King's Printer.

We are informed that the Civil Servants are allowed 15 minutes grace within which to register in the morning, and in the summer months, June 1st-September 1st, they are permitted to leave at 4 p.m. (by Order in Council, May 4, 1910). Clerks and some other assistants on the temporary list are also permitted to avail themselves of this latter privilege.

Employees on the Civil List are allowed three weeks' vacation in each year and the temporary staff two weeks' leave with pay. This vacation is in addition to the statutory holidays to which all employees are entitled. A record book is kept showing the holidays and the number of days each employee is absent by reason of sickness or otherwise.

Under the present regulations of the King's Printer all employees are required to ring in on the time clock on entering and leaving the Bureau. Under Sec. 105 of the Civil Service Act, Civil Servants are required to sign an attendance book, which has been replaced by the time clock.

There are fourteen time clocks located in the different divisions of the Department, and it is the duty of the foremen or their assistants to see that each employee rings up his proper number. The time clock slips are taken off daily by the timekeeper and his assistant and the hours worked posted to the credit of the employee on a time sheet. At the end of the pay period the total hours worked by each employee are extended and transferred to a pay sheet. The pay sheet is completed by the timekeeper, who is under the direction of the Accountant, and then handed by him to the Paymaster, who fills the position of Assistant Accountant.

The Paymaster checks the clerical accuracy of the pay sheet. The pay cheques are then made out and are signed by a clerk, Mr. Ardouin, for the King's Printer, and by Mr. Bronskill, the Paymaster, for the Accountant, both of the persons signing being under the direction of the Accountant. The cheques are then distributed by the Paymaster without any witness.

After the wages are paid, the pay sheets are forwarded to the Auditor General, who checks and certifies them. Only one copy of the pay list is made and this is retained in the Auditor General's Office. The paid pay list cheques are returned by the bank direct to the Finance Department and are not examined by the Accountant.

We would submit for your consideration the following recommendations covering the more important points in connection with the pay-roll system and methods:—

(1) Sufficient importance is not given to the matter of registering employees when first engaged, or of keeping records of the efficiency of the individual service.

(2) A confidential record should be kept by the King's Printer, in which should be entered the usual particulars as to term of service, address, age, etc., and this record should also contain information as to efficiency and general conduct of each employee.

(3) As a check on the accuracy of the daily time recorded on the time list, we would recommend that the individual time sheets of each employee, which are certified by the foremen, be compared with the totals as shown on the time sheet.

(4) At the present time there is no check on the work performed by the timekeeper; and there is no proper system of internal check, as both the timekeeper and paymaster report to the Accountant.

The timekeeper should be under the direction of the Accountant as at present, and should certify as to the correctness of the time and rates. The Accountant should verify and certify to the clerical correctness of the rolls.

The Paymaster should have nothing to do with the preparation of the pay roll but should be responsible for its due payment, to the cashier, who we have suggested should be appointed to handle cash receipts and disbursements.

(5) The present method of paying wages can be improved upon. The cheques should be drawn by the Paymaster as at present, and countersigned by the cashier. The payment by cheque to the employees should be made in the presence of a witness,

who should certify to the payment of the amount entered in the pay roll against each individual.

(6) No proper certification of the pay-rolls has been made in recent years and we would recommend in this connection that all pay lists should be made in duplicate, one copy being forwarded to the Auditor General and the second copy remaining on file in the office. These lists should be certified by each person responsible and a description of the work done by each signatory should be made on the roll in spaces provided by rubber stamp.

(7) To facilitate checking the time sheets, the pay sheets should be made out by departments, and the total amount of pay-roll for each department clearly shown on the roll, these totals should be carried forward to a grand total, which would agree with the total amount of checks for the pay period. We would suggest for consideration the advisability of using the time list for the pay list and so avoiding duplication of work.

We have been informed by the officers in the Bureau that so far as they are aware the Auditor General's staff only check the clerical accuracy, but there is nothing to show on the face of the list what is the extent of the audit made.

(8) Generally speaking we find that the lists are not well kept, there being numerous alterations and erasures.

SUBSIDIARY DIVISIONS OF THE DEPARTMENT.

In addition to the work carried out in the Printing and Stationery divisions of the Department with which we have already dealt, the duties of the King's Printer include a supervision of the following subsidiary offices, viz.:—

Distribution Office of Government Publications.
Audit Office for Intercolonial Railway Printing.
Advertising Audit Office.
Office for the Revision of Voters Lists.

For your information we would deal briefly with the work carried out in each of these divisions:—

DISTRIBUTION OFFICE OF GOVERNMENT PUBLICATIONS.

This division of the work is in charge of a chief distributor, Mr. N. LaRochelle, who reports to the Superintendent of Stores.

The chief distributor is assisted by seven employees, who are permanently attached to this division and two temporary assistants loaned by the Bindery.

We submit a statement (Exhibit 9) showing the publications issued during the four years ending March 31, 1911, the corresponding figures for 1911-12 not yet being available.

As other Government Departments also issue copies of the same publications which are sent out from this office, it would be well to periodically compare the mailing lists in order to avoid duplication. We would also suggest that unused copies of official publications be returned to the King's Printer each year and a record kept of those destroyed.

It is intended that the stock of publications on hand should be kept in the basement, but owing to lack of space the greater part is stored on the sixth floor. It is stated that the first physical inventory was taken in August 1910 and stock books were opened with the balances on hand at that date. No inventory has since been taken and the stock books are considerably in arrear at the present time.

AUDIT OFFICE FOR INTERCOLONIAL RAILWAY PRINTING.

For the purpose of maintaining a check on the cost of printing for the International Railway the verification of the King's Printer or his representative is required on all bills paid.

This audit work is in charge of Mr. F. J. Farrell who receives copies of the bills rendered to the Intercolonial Railway together with a description of the work and samples of the paper. He passes upon the charges made for the work and in this respect he is guided by a schedule of prices, which we are informed was fixed in 1908 by the King's Printer.

ADVERTISING AUDIT OFFICE.

This division of the work is in charge of Mr. L. A. Grison, whose official title is Auditor of Advertising, and he is assisted by Mr. V. Braceland, clerk, and by a temporary assistant.

The duties of this division are (*a*) to place contracts for the advertising required by all Government Departments with newspapers and magazines and determine the rates to be paid; (*b*) to requisition the Printing Bureau to print copies of the advertisements as required; (*c*) to receive the bills for advertising and audit them before they are passed to the various departments for payment.

Particulars as to the work done for the various Departments by Provinces will be found in the annual reports of the Printing Bureau, Table F.

OFFICE FOR THE REVISION OF VOTERS' LISTS.

This division of the King's Printer's work is carried on under the provisions of The Dominion elections Act, 1908, Revised Statutes, Chap. 6, Secs. 15, 16, 17 and 18.

The work is in charge of Mr. H. T. Smith, his duties being to see that the lists are printed in accordance with the copies received from the clerk of the Crown in Chancery. Blank ballot papers are distributed from this office as required.

The entire time of the clerk in charge does not at present appear to be employed, and we would suggest for consideration the advisability of merging the work of this division with that of some other division or of carrying out the work at the office of the Clerk of the Crown in Chancery.

OPERATING CONDITIONS.

Under this head it may be well to bring to your attention some of the conditions which prevent the Department from being operated as economically as if it were in the hands of a private corporation. Some of the considerations put forward have, we are aware, been frequently discussed, but we believe that opinions formed after a detailed study of the Department may be of interest to your Commission.

In the first place the direction of the work of the Department is in the hands of the King's Printer, who acts under the instructions of the Secretary of State, and, whilst he is given some discretion this is necessarily limited by Acts of Parliament and Orders in Council, and he has not the power to introduce improvements or effect economies which would be held by the managing director or executive board of commercial undertakings. We might mention in this connection that the machines in the press room are claimed to be inefficient, and the frequent delays which occur in the bindery are attributed to the want of modern machinery. Further, it does not appear that the press room is sufficiently well equipped to take care of the composing rooms, and the situation is also aggravated by the reason that the bindery is unable to take care of the press room.

Another serious handicap under which the Department is working from a commercial standpoint, is that of political influences, and this brings us to a considera-

tion of the present staff arrangements. The insinuation has been constantly made to us that those in charge of the operations are not able to employ such help as they would wish, but are virtually obliged to accept such persons as are recommended, regardless of their age or qualifications. The service is also undoubtedly handicapped by reason of the sentiment which surrounds the retention of the older employees, there being no pension or superannuation allowance for employees other than Civil Servants.

In a well administered commercial concern promotion is usually attained by merit alone, without consideration of other influences, and the different departments of the business are entrusted to men thoroughly familiar with the routine work, who are given a free hand in the selection, promotion and retention of their subordinates. The employment and retention of persons who are incompetent cannot but be detrimental to the efficiency of the Department as a whole.

Another question which requires careful consideration is that of the employment in the Department of both Civil Servants and others who are not on the Civil List. Civil Servants have greater privileges in respect of holidays and attendance, and on this account a considerable amount of dissatisfaction appears to have been created. One advantage which would be gained by operating the Department with Civil Servants only would be the removal of political influences in regard to the appointment of employees. On the other hand it is questionable whether the same standard of experience and efficiency could be expected from those on the Civil List as compared with those who might be obtained from outside manufacturing establishments. As a greater part of the work carried out in the Department is of a highly technical nature, this is an important consideration. A solution of the problem might possibly be obtained by filling the purely clerical positions with Civil Servants only, while the operating divisions could be carried on by both classes of employees, provided all were accorded equal privileges. As those on the Temporary List are not entitled to pensions, it might be well to consider the advisability of establishing a separate fund for their benefit.

ANNUAL STATEMENTS OF ACCOUNTS.

The annual report of the King's Printer is supplemented by reports from the Accountant and the Superintendents of Printing and Stationery. These contain much valuable information in considerable detail and illustrate the rapid growth of the various services rendered to the Departments. It does not appear, however, that the annual accounts of the Department are drawn up in a sufficiently clear and intelligible form. In connection with this subject the first point for consideration is, we think, whether the main account of the operations of the year should be based on the actual receipts and disbursements, or whether it should be based upon the income attributable to the year, whether received or not, and the expenditures incurred regardless of the date of the actual payment. The latter basis is of course the one generally adopted in commercial usage, but there is considerable difference of opinion as to its application to the operations of the Government, where the considerations involved are of an entirely different character. The argument in favour of the revenue and expenditure account is largely based upon the physical impossibility to collect or pay within the year all amounts properly receivable and payable in respect of the operations for that period, but in the present case this objection is fully met by the provision of the law under which appropriations do not lapse for two or three months after the expiration of the fiscal year. On the other hand, an income and expenditure account, is necessarily more complicated than a receipts and expenditure account, inasmuch as to be complete it must take cognizance of the accrued depreciation, interest charges and similar items arising out of past capital expenditures, and in the case of a Government it would seem to be particularly desirable to reduce the annual

statements to the simplest terms, so that they may be as fully understood by the public as possible.

The statement of receipts and payments or the cash statement is the simplest form of statement and is also undoubtedly the most generally used and understood, and for this reason we think that in Government accounts it should be adhered to unless there are weighty considerations in favour of the revenue and expenditure form of account. Undoubtedly the considerations in favour of the revenue and expenditure account are stronger in the case of departments which are more or less of a commercial character and where comparisons with the results attained by commercial enterprises constitute a measure of the efficiency of the Government department. In order, however, to institute effective comparisons between Government departments and commercial houses engaged in similar industries it is of course not only necessary to obtain figures of cost on the same basis, and therefore fairly comparable, but also to have comparative statements of output or services rendered. This latter may be in the form either of a comparison of the number of units of service rendered or of a comparative statement of the commercial value of the output. The former method is, of course, applicable in the case of such industries as gas and water departments, and in such cases it may well be desirable to keep the accounts so as to facilitate comparison with commercial enterprises.

In the Printing Bureau, however, while much of the simple printing is capable of reduction to a fixed unit there is much of a special character of which it is impossible to express the total output in a number of units. On account of this special work it seems to us impracticable to obtain reliable figures as to the commercial value of the total output. If the policy were adopted of awarding contracts to the Department or to outside parties impartially and according to the prices quoted the determination of the value of the output would of course be practicable, but even then there would be a considerable amount of confidential work which could not be sent outside the Department and it would be necessary to assign a commercial value to this output, which would afford opportunities for concealing or misrepresenting the results of the Department's operations. You will readily realize that the costs of operation in a department such as the one now under consideration could be so calculated as to show a low cost on the work open to competitive bid while the cost of work which of necessity had to be executed by the Department could be correspondingly inflated. To guard against any such concealment or misrepresentation we would consider it desirable that the cost accounts of the Department should be periodically audited and careful consideration given from time to time to the apportionment of the general overhead expense as between the different classes of work performed.

We submit herewith (Exhibits 1 and 2) forms of statements which we would consider best fitted to clearly set forth the results of the annual operations of the Department. These statements should be supported by subsidiary statements showing such further detail as to the various classes of supplies purchased, wages, expenses and costs as may be considered desirable.

The adoption of the form of account suggested would not entail any radical revision of the accounting system. The books would be kept open as at present after the close of the fiscal year in order that the balances outstanding on accounts receivable and payable might be collected and paid. We would suggest that any balances outstanding when the books are finally closed (which should be small and unimportant) be transferred to the operating account of the year, an entry at the same time being made reinstating the amounts in the accounts of the succeeding year. We might mention that at the end of May the following liabilities affecting the accounts to March 31, 1912, were outstanding, but these are of an exceptional nature, viz.:—

(*a*) Goods ordered by the late Superintendent of Stationery and taken into stock; payment has been stopped pending a settlement.	$10,813 36
(*b*) Payment made by the Department of Agriculture to the Printing Bureau for work done outside. A dispute with the outside firm occurred and settlement has been deferred.	5,576 12

CONCLUSION.

In concluding this report it may be well to briefly summarize the recommendations which we have made, and to again refer to the various points which are submitted for your further consideration:—

(1) The Purchasing Agent should have entire charge of all purchases of Stationery Supplies, and orders for outside printing and lithographic work should be passed by him. The Superintendent of Stores should not be allowed to make purchases of stationery supplies and interview dealers, and the Superintendent of Printing should not give orders for work done outside his department (see page 353).

(2) Greater care should be exercised in keeping the files of the Purchasing Agent up to date. Contract orders should be separately filed, and orders remaining unfilled for an unusual length of time should be transferred to a special inquiry file (see page 353).

(3) The Stationery Supplies kept in stock should be standardized as far as possible (see page 355).

(4) The stock records are not kept up to date. The stock ledger should be divided into sections, each of which would be controlled by an account on the general ledger. The stock records should be placed under supervision of the Accountant (see page 355).

(5) Where goods are returned to stock, credit notes should be issued. The system of requisitioning could be improved upon, but we are not in a position to make recommendations without knowledge of the requirements of the various Government Departments (see pages 356 and 357).

(6) Stationery expense is now apportioned on the basis of arbitrary percentages, which should be carefully considered from a practical operating standpoint. The system should be changed so that the total overhead expense added to the cost of the work may be ascertained. The overhead expense now distributed does not include all expenses properly chargeable against this division of the Department (see pages 356 and 357).

(7) Inventory records should be kept of standing type, copper plates and engravings. An inventory should be taken of all machinery and the various machines entered individually on records at cost or present value. Depreciation should be calculated on each machine and the amounts expended on renewals shown, so that it would be possible at any time to determine the value of the Department's investment in machinery.

(8) The overhead charges added to the cost of printing do not include all expense and cannot therefore be considered true costs (see page 359). The cost records should be placed under supervision of the Accountant.

(9) A Cashier should be appointed to relieve the Accountant of all duties connected with the receiving and disbursing of cash (see page 362).

(10) The present pay-roll system requires revision (see pages 365-366).

(11) Mailing lists should be periodically compared with those of other Government Departments. Copies of official publications should be returned to the Department if not required, and a record should be kept of those destroyed (see page 366).

(12) The entire time of the clerk in charge of the Revision of Voters Lists is not now employed, and we submit for your consideration the advisability of merging this office with some other division.

(13) The question of the employment in the Department of both Civil Servants and those on the Temporary List is one that requires careful consideration (see page 368).

(14) It does not appear that the annual accounts of the Department are drawn up in a sufficiently clear and intelligible form. A suggested form is submitted (see pages 368 to 370).

(15) With regard to the revision of the organization and management of the Department, we are of the opinion that the King's Printer requires to be relieved of certain administrative routine duties. As far as possible he should avoid the perfunctory signing of documents, and the power and authority should be deputed to the superintendents to settle routine transactions and sign all the necessary papers relating thereto.

In conclusion we have pleasure in stating that the officials of the Department have afforded us every facility in our investigation.

Respectfully submitted.

PRICE, WATERHOUSE & CO.

EXHIBIT 1.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

STATEMENT OF REVENUE AND EXPENDITURES FOR THE YEAR ENDING MARCH 31, 1912.

Balance April 1, 1911, being the value of the Assets in the hands of the Department at that date as follows:—						
Inventory of Stationery Supplies.. ..			$ 194,690 66			
Inventory of Printing Work in progress..			179,567 79			
					$ 374,258 45	
Expenditures:—						
(a) On Advance Account:—						
Stationery and other Supplies..	$	702,035 95				
Wages and Salaries (Exhibit V)..		578,525 14				
Miscellaneous Expenses..		8,159 22				
Printing and Lithographic Work outside (Exhibit IV)..		290,617 35				
			$ 1,579,337 66			
(b) On Appropriation Account (see contra):—						
Expenses—						
Civil Government Salaries...	$	64,712 41				
Contingencies—cleaning Wages		2,634 97				
Sundries..		4,013 60				
Plant Repairs...		6,988 10				
			78,349 08			
					1,657,686 74	
Capital Expenditures:—						
Additions to Plant..					34,972 46	
Balance on Revenue Account, Transferred to Consolidated Revenue Fund:—						
Surplus on operations of Stationery Office..			$ 7,138 19			
Miscellaneous Income, per contra ..			37,178 74			
			$ 44,316 93			
Less—Deficit on operations of Printing Bureau..			42,818 66			
					1,498 27	
					$2,068,415 92	

Receipts:—				
(a) On Advance Account:—				
From Printing charged to other departments		$963,927 68		
Stationery Supplies charged.		452,905 49		
Miscellaneous—Sales of Dross, Refunds, etc..		1,234 89		
				$1,418,068 06
(b) On Appropriation Account (Exhibit II) For Special Printing—				
Canada Gazette.... ..	$	12,982 15		
Distribution of Documents.		1,475 58		
Miscellaneous Printing.. ..		99,968 63		
Printing and Distributing Statutes		9,003 06		
Voters' Lists...		75,720 56		
				199,149 98
(c) For Expenses, per contra.				78,349 08
For Capital Expenditures.. ..				34,972 46
From Miscellaneous Sources:—				
Proceeds of Sales of Waste Paper. .	$	1,929 80		
Canada Gazette..		22,056 26		
Parliamentary Publications		12,323 60		
Voters' Lists..		869 08		
				37,178 74
Balance March 31, 1912, being the value of the Assets in the hands of the Department at that date as follows:—				
Inventory of Stationery and other Supplies .	$	174,423 29		
Inventory of Printing Work in progress.. ..		123,828 04		
Sundry Accounts due by departments..		2,446 27		
				300,697 60
				$2,068,415 92

EXHIBIT 2.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

STATEMENT SHOWING THE APPROPRIATIONS AND THE EXPENDITURE CHARGED IN THE YEAR ENDING MARCH 31, 1912.

—	Amount of Vote.	Expenditure Charged.	Balance Unexpended.
	$	$	$
Appropriations for Special Printing—			
Vote 316 Canada Gazette—Cost of printing paper, &c....	13,000 00	12,982 15	17 85
Vote 319 Distribution of Parliamentary documents.....	1,500 00	1,475 58	24 42
Vote 320 Miscellaneous Printing—Printing annual reports.	100,000 00	99,968 63	31 37
Vote 40 Printing and distributing Statutes.....	10,000 00	9,003 06	996 94
Vote 40 (and Supplementary Vote)—Voter's Lists.....	82,000 00	75,720 56	6,279 44
Total.....	206,500 00	199,149 98	7,350 02
Appropriations for Expenses of the Department—			
Vote 7 Civil Government Salaries.....	88,187 50	64,712 41	23,475 09
Vote 7 Contingencies.....	7,300 00	6,648 57	651 43
Vote 317 Miscellaneous—Repairs and renewals.....	7,000 00	6,988 10	11 90
Total.....	102,487 50	78,349 08	24,138 42
Appropriation for Additions to Plant—			
Vote 318 Miscellaneous—New Plant.....	35,000 00	34,972 46	27 54
Grand Total.....	343,987 50	312,471 52	31,515 98

EXHIBIT 3.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

COMPARATIVE STATEMENT OF EXPENDITURES ON "ADVANCE ACCOUNT" FOR THE FIVE YEARS ENDING MARCH 31, 1912, SHOWING THE PERCENTAGE OF THE EXPENDITURES EACH YEAR TO THOSE OF THE YEAR 1907–1908.

—	1907–8.	1908–9.	1909–10.	1910–11.	1911–12.
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Printing Bureau—					
Wages and salaries (exclusive of Civil List)	351,409 31	395,959 76	434,178 24	465,628 81	548,237 95
Percentage	100	113	124	132	156
Material and supplies, freight, &c.	28,225 38	30,181 57	31,470 11	28,620 99	
Materials supplied by Stationery Department	216,093 73	225,508 23	222,442 62	258,877 63	326,221 47
Materials for own use	5,032 08	6,746 45	5,102 46	4,605 65	
Printing done for own account	3,382 58	2,523 93	3,722 51	3,697 61	
Total material	252,733 77	264,960 18	262,737 70	295,801 88	326,221 47
Percentage	100	105	104	117	129
Lithographing and Printing done by outside firms	250,733 51	326,274 21	289,822 32	230,557 70	290,617 35
Percentage	100	130	116	92	116
	854,876 59	987,194 15	986,738 26	991,988 39	1,165,076 77
Percentage	100	115	115	116	136
Stationery Office—					
Purchases in Canada	447,586 84	416,460 72	440,955 50	454,508 83	672,306 19
Purchases in United States	69,552 68	159,632 15	120,947 98	59,524 14	
Purchases in Europe	56,010 01	41,963 83	23,739 80	21,215,15	36,973 84
Purchases from King's Printer	9,106 12	8,653 33	6,739 40		
	582,255 65	626,710 03	592,382 68	535,248 12	709,280 03
Percentage	100	108	102	92	122
Freight, express, telegrams, &c.	6,531 22	8,631 17	6,632 12	6,118 62	8,159 22
Legal expenses			262 00		
Wages of clerks, packers, carters, etc. (Exclusive of Civil List).	15,542 64	7,743 75	*2,160 00	*2,400 00	30,287 19
	604,329 51	643,084 95	601,436 80	543,766 74	747,726 44
Percentage	100	106	99	90	124

*Indirect wages charged to Printing Account.

EXHIBIT 4.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

LITHOGRAPHING AND PRINTING WORK GIVEN TO OUTSIDE FIRMS.

COMPARATIVE STATEMENT OF PAYMENTS FOR THE FIVE YEARS ENDED MARCH 31, 1912.

Name.	Address.	1907-08	1908-09	1909-10.	1910-11.	1911-12.
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Alexander Engraving Co	Toronto	1,342 04	1,748 67	2,418 66	1,194 45	697 00
Business Systems Ltd	"	36 71	4,327 52		95 14	140 21
Central Press Agency	"	228 90	250 45	201 12	819 28	201 32
Copeland Chatterson	"	3,425 62	2,703 48	22,703 08	7,115 63	
R. L. Crain	Ottawa.	13,508 54	16,122 91	911 32	361 30	3,991 76
Crown Lithographing Co	"	14,895 09	8,784 71	7,906 68	6,319 80	4,725 70
Fotheringham & Popham	"	863 74	305 45		191 01	692 50
German Printing & Publishing Co	Waterloo	15 00				
Grip, Limited	Toronto	977 95	1,600 00	1,825 78	559 50	359 27
Herald Publishing Co	Montreal	18,659 34	52,099 20	5,945 87	19,741 98	12,932 44
J. Hope & Sons	Ottawa	4,181 61	2,471 18	1,250 94	590 93	
Librairie Beauchemin	Montreal	6,372 06	4,188 81	3,994 05	6,158 44	2,384 17
Mortimer Company	Ottawa	35,933 24	71,394 22	59,213 13	33,825 79	48,816 75
Office Specialty Co	Toronto	1,345 68	1,769 04	624 40	510 44	9,261 48
Free Press	Ottawa	20,334 33	22,282 72	28,724 90	20,603 35	14,065 28
Ottawa Printing Company	"	1,010 69	627 61			5,565 98
Pritchard & Andrews	"	182 15		283 50	320 50	132 50
R. J. Taylor	"	1,556 50	1,433 00	1,401 75	942 25	864 50
Toronto Engraving Co	Toronto	1,093 16	2,371 90	1,884 59	524 56	
Toronto Litho. Co. (Stone, Ltd.)	"	69,645 05	53,668 25	76,915 74	34,883 90	55,509 98
Warwick Bros. & Rutter	"	5,274 45	1,456 92	387 50	237 62	634 06
Esdale & Martin	Ottawa	995 50	1,377 35	1,642 69	1,513 90	2,292 99
Perrault Printing Co	Montreal	11,455 73	11,181 37	10,935 20	15,154 45	14,474 49
Brown Brothers	Toronto	5,352 12	4,485 32	871 62	551 07	
Canada Eng. and Litho. Co	Montreal	592 66	935 10			
Copp, Clark & Company	Toronto	9,199 44	5,571 26	9,400 76	5,870 13	4,344 40
Rolph & Clark & Co	"	7,471 73	27,955 70	15,001 65	26,864 83	34,133 47
Murray Printing Company	"	402 60				
Central Electric and School Supply Company	"	1,685 60	2,534 60	2,241 35	1,299 00	1,076 30
P. McGregor	Ottawa	664 50	780 00	855 30	3,317 70	4,352 00
Patterson & Heward	Toronto	118 00	167 00			
Recorder Printing Co	Brockville	440 47				205 40
Desbarats & Company	Montreal	72 75		33 75		
'Le Soleil'	Quebec	117 50				626 09
Canadian Office Supply Co	Montreal	212 41				
E. Harwood & Company	Toronto	2,009 90				
Davis & Henderson	"	950 20	591 92			
Ross & Ross	"	3,817 57	1,476 74	1,378 00	792 70	
Sundries small amounts	"	324 03	975 25	681 58	1,493 32	1,390 53
Freight cartage and services at Ottawa		1,898 59	2,102 96	2,271 12	2,214 82	
Times Printing Company	Hamilton	670 36				713 31
Caswell Company	Toronto	1,400 00				
King & Mitchell	Ottawa		6,145 78	2,697 78		
Painter, Fortier & Co	"		279 29			
Reid Press	Hamilton		50 00			
Rittinger & Metz	Berlin		123 31		198 95	
W. J. Rochester	Ottawa		5,797 25	7,725 61	4,332 79	1,516 94
A. Talbot & Company	London		323 05			
Library Bureau	Toronto		64 90	2,392 40	2,051 81	1,535 55
Miller & Richard	"		799 69	284 03		
Victoria Foundry Company	Ottawa		25 50			
American Bank Note Co	"		430 00	1,119 75		251 00
Wm. Briggs	Toronto		1,075 60	100 00	1,181 00	1,935 56
G. M. Hendry	"		274 60	25 20		13 40
Canada Publishing Co	Montreal		857 38		649 77	
Consolidated Litho. Co	"		196 75	287 25	444 19	1,038 50
Murray Printing Company	Toronto		90 50			1,778 24
Carried forward						

EXHIBIT 4—*Continued.*

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY—*Continued.*

LITHOGRAPHING AND PRINTING WORK GIVEN TO OUTSIDE FIRMS—*Continued.*

COMPARATIVE STATEMENT OF PAYMENTS FOR THE FIVE YEARS ENDED MARCH 31, 1912—*Continued.*

Name.	Address.	1907–08.	1908–09	1909–10.	1910–11.	1911–12.
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Brought forward						
Chatham Daily News	Chatham			1,810 42		
E. A. Mitchell	Ottawa			3,108 75	4,440 15	
F. N. Burt	Toronto			176 86		
Capital Press Limited	Ottawa			1,209 05	7,960 40	9,379 44
Gananoque 'Reporter'	Gananoque			1,160 00		
G. F. McKim	Smith's Falls			260 00		
J. L. Morrison	Toronto			473 00		
Rand, McNally	Chicago, U.S.A.			250 00	610 00	
'Sentinel Review'	Woodstock			1,380 00	500 00	1,066 54
St. Lawrence Press	Montreal			631 84	742 04	321 44
Buntin, Gillies & Company	Hamilton			2,208 60	1,064 60	
J. Ogilvy	Ottawa			114 25		
Jackson Press	Kingston			125 00	136 00	150 50
Beal Engraving Company	London			67 50		
Burr Index Company	Hartford, Conn.			125 00		
E. R. McNeil	Ottawa			184 00		
L. P. Bouvier	Toronto				63 50	21 00
Brigdens Limited	"				624 85	1,139 98
Ottawa Paper Box Company	Ottawa				280 00	328 80
Montreal Litho. Company	Montreal				175 00	5,835 00
'Chronicle Publishing Co'	Halifax				582 90	519 00
Eagle Publishing Co.	Montreal				1,014 50	
Globe Publishing Co.	Toronto				324 38	
Low, Martin & Company	Ottawa				3,997 48	2,656 40
Nord West Publishing Company	Winnipeg				1,199 35	804 00
Observer Publishing Co.	Coaticook				220 00	
S. H. Preston	Brantford				716 56	
'Rideau Record'	Smith's Falls				260 00	
Capital Office Supply Co.	Ottawa				270 00	
American Peat Society	New York				400 00	
Heliotype Printing Co.	Boston				940 00	
Ottawa White & Blue Print Co.	Ottawa				114 44	19 27
Smeaton & Company	Montreal				435 25	
Free Press	Winnipeg				235 00	
British American B. N. Co.	Ottawa				325 00	1,118 50
Addison & Mainprice						148 00
Atwell, Fleming & Company						611 60
Acton Publishing Company						472 96
Bryant Press, Limited						384 36
Barnes & Company, Limited						164 00
Canadian Freeman						154 62
Chapman, T. E., & Company						254 35
Corneil, C. R., Limited						2,248 36
Canadian Pacific Railway						399 33
Compagnie d'Imprimerie Commerciale						1,982 65
Dominion Express Comapny						131 29
Dougall, John, & Son						597 56
Daily News						91 95
Griffin & Richmond Co., Ltd.						178 64
Gazette Printing Company						3,800 50
Hunter, Rose Company, Ltd.						1,012 60
Harley Printing Company						247 28
Herald Printing Company	Hamilton					208 32
Harcourt, E. H., & Co., Ltd.						336 75
Journal St. Catharines, Limited						112 00
Le Soleil de l'Ouest						749 50
Carried forward						

EXHIBIT 4—*Continued.*

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY—*Concluded.*

LITHOGRAPHING AND PRINTING WORK GIVEN TO OUTSIDE FIRMS—*Concluded.*

COMPARATIVE STATEMENT OF PAYMENTS FOR THE FIVE YEARS ENDED MARCH 31, 1912—*Concluded.*

Name.	Address.	1907–08.	1908–09.	1909–10.	1910–11.	1911–12.
		$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Brought forward						
Lovell, J., & Son, Ltd						733 80
Low, H. S						176 40
La Vigie	Quebec					607 92
La Presse						442 08
London Advertiser Company						223 52
Le Canada						2,247 96
Le Temps						119 36
Mercantile Printing Company						639 64
Miln, Bingham Printing Co						136 96
McLennan, Wm						172 80
McLean, R. G						310 20
Ottawa Photo Engraving Co						332 33
Ottawa Typewriter Co., Ltd						125 05
Pigeon, A. P						491 08
Quebec Daily Telegraph						310 88
Robinson, D. H						156 00
Reid & Doidge						2,579 33
Southam Press, Limited						1,764 24
Standard Photo Engraving Co						647 28
Stovel Company						2,264 90
Sun Printing Company						742 15
Sault Job Printing & Litho. Co						157 20
Telegraph Printing Company						275 99
Toronto Typesetting Co						2,839 18
Tribune Publishing Company						1,652 59
Thicke, W. H						168 95
Total for the year		250,733 51	326,274 21	289,822 32	230,557 70	290,617 35

EXHIBIT 4—*Concluded.*

PRINTING DEPARTMENT.

WORK DONE—1910-1911.

(See Annual Report—Tables A and C.)

	Done in the Bureau.	Done by Outside Firms.	Total.
	$ cts.	$ cts.	$ cts.
Agriculture Department	60,030 92	11,367 37	71,398 29
Auditor General	1,138 80	567 13	1,705 93
Civil Service Commission	1,765 63	227 62	1,993 25
Clerk of Crown in Chancery	155 29	12 00	167 29
Commission of Conservation	64 56	21 50	86 06
Customs	30,451 12	5,576 86	36,027 98
Departments generally	88 80	37 25	126 05
Exchequer Court	1,959 63	.....	1,959 63
Experimental Farm	9,318 99	620 46	9,939 45
External Affairs	1,911 57	66 94	1,978 51
Finance	3,871 70	747 23	4,618 93
Governor General's Secretary	1,599 76	460 35	2,060 11
House of Commons	300,319 45	36,057 20	336,376 65
Indian Affairs	4,558 71	827 07	5,385 78
Inland Revenue	13,113 77	704 26	13,818 03
Insurance	5,974 57	180 04	6,154 61
Intercolonial Railway	5,088 60	639 01	5,727 61
Interior	63,301 69	92,033 44	155,335 13
Justice	1,984 84	146 20	2,131 04
Labour	7,447 96	21,541 07	28,989 03
Library of Parliament	2,746 30	71 84	2,818 14
Marine and Fisheries	20,854 73	10,595 83	31,450 56
Militia and Defence	35,774 20	3,724 81	39,499 01
Mines	13,168 97	22,298 58	35,467 55
Miscellaneous Printing	101,093 58	11,312 68	112,406 26
Naval Service	3,244 52	9,151 65	12,396 17
Penitentiaries	1,476 12	171 20	1,647 32
Post Office	82,724 02	21,222 89	103,946 91
Privy Council	683 73	104 64	788 37
Public Printing and Stationery	36,327 29	836 60	37,163 89
Public Works	16,906 03	2,114 66	19,020 69
Railways and Canals	5,003 72	2,830 43	7,834 15
Railway Commission	2,022 14	566 37	2,588 51
Royal Mint	343 62	.....	343 62
Royal Northwest Mounted Police	4,824 43	265 27	5,089 70
Secretary of State	2,510 22	58 48	2,568 70
Senate of Canada	12,821 33	.....	12,821 33
Supreme Court	874 04	20 50	894 54
Trade and Commerce	13,276 06	2,487 95	15,764 01
Transcontinental Railway	118 77	3 00	121 77
Total	870,940 18	259,670 38	1,130,610 56

EXHIBIT 5.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

COMPARATIVE STATEMENT OF SALARIES AND WAGES OF THE DEPARTMENT FOR THE FIVE YEARS ENDING MARCH 31, 1912.

	1907–8	1908–9	1909–10	1910–11	1911–12
	$ cts.	$ cts.	$ cts.	$ cts.	$ cts.
Charged against Advance Account—					
Hand Composition	113,370 28	112,867 50	123,401 59	125,788 02	110,770 24
Linotype Composition	65,118 17	88,483 76	85,782 83	84,213 69	108,972 43*
Monotype Composition	8,252 97	10,760 28	13,335 20	13,856 41	33,986 39*
Proof Reading	17,203 77	18,857 81	25,676 63	30,270 06	34,041 97
Press Room	38,470 01	47,316 91	53,205 75	56,402 97	62,745 51
Stereotype Room	6,080 82	6,458 27	6,002 31	6,619 46	7,578 37
Bindery, Men	44,453 69	51,375 31	57,120 89	64,092 45	72,080 22
" Girls	30,199 56	32,187 66	35,035 59	37,553 54	45,053 03
Officers and Clerks. (See also Civil List Salaries below)	7,906 00	6,883 51	.....	5,056 19	17,521 35
Carters, Charwomen and Labourers.	7,676 00	6,156 70	7,741 50	9,148 75	9,239 63
Miscellaneous, including Mechanical Staff, Caretakers, Shipping Room, &c.	12,678 04	14,612 05	26,875 95	32,627 27	40,191,79
Map Engraving	.....	.....	.....	.....	6,057 02
	351,409 31	395,959 76	434,178 24	465,628 81	548,237 95
Stationery Office	15,542 64	7,743 75	2,160 00	2,400 00	30,287 19
	366,951 95	403,703 51	436,338 24	468,028 81	578,525 14
Charged against Appropriations—					
Civil Government:—					
Salaries	43,141 66	66,895 72	83,522 34	75,451 49	64,712 41
Cleaning Wages (additional)	3,126 91	3,075 16	3,499 67	3,277 87	2,634 97
Total Salaries and Wages of Department	413,220 52	473,674 39	523,360 25	546,758 17	645,872 52
Percentage	100	115	127	132	156

*A proportion of the Linotype and Monotype wages for 1911-12 are chargeable to Hand Composition at machine rates.

EXHIBIT 6.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

LIST OF EMPLOYEES AT MAY 22, 1912.

Department and Name.	Occupation.	Total Number Employed.	Salaries.
Office—Civil List—			
King's Printer's Dept. including K. P.		6	
Accounting Staff		10	For details of salaries, see Civil Service List.
Printing		8	
Supplies & Dist		16	
Purchasing		2	
Packers		9	
Messengers		2	
		53	
Temporary List—			
Printing Division—		16	$ cts.
F. Boardman	Superintendent		3,200 00 per annum
W. J. McCarthy	Loose Leaf Supt		2,000 00 "
E. A. McGrath	Supt. of Litho. & Eng.		2,400 00 "
Jas. Rowan	Chief Lithographer		35 00 per week.
W. J. Kane	Audit Cost Clerk		20 00 "
J. J. Fox	"		13 00 "
J. H. Lanthier	Entry Clerk		20 00 "
Fred Heasley	"		20 00 "
R. H. Ingram	"		15 00 "
W. H. Kelly	Requisition Clerk		20 00 "
E. J. Armstrong	Enquiry Clerk		1,200 00 per annum.
H. M. McClary	Requisition Clerk		22 00 per week.
R. McKell	Entry Clerk		20 00 "
Thos. Casey	Clerk		13 00 "
T. E. D. Lewis	Paper Order Clerk		20 00 "
E. M. Keane	Secy. to Supt. of Ptg.		15 40 "
Accounting Division—		3	
G. P. Ward	Timekeeper		1,200 00 per annum.
M. J. Murphy	Assistant Timekeeper		20 00 per week.
Henri Giroux	Clerk		12 00 "
Purchasing Division—		3	
S. P. Grant	Purchasing Agent		2,800 00 per annum.
J. H. Pelton	Assistant Pur. Agent.		1,500 00 "
Thos Gerand	Clerk		10 58 per week.
Stationery Division—		25	
J. O. Patenaude	Superintendent		$2,500 00 per annum.
E. Ryder	Ass't Superintendent		2,400 00 "
C. H. McMorrow	Shipping Clerk		18 00 per week.
C. W. Close	Storekeeper		1,300 00 per annum.
W. Hull	"		17 00 per week.
E. Seguin	"		14 00 "
G. F. Lamb	"		16 00 "
J. J. Bolger	"		14 00 "
M. McEvoy	"		14 00 "
J. C. Reynolds	Receiving Clerk		22 00 "
J. E. Boyd	Shipping Clerk		17 00 "
J. Vaughan	"		15 00 "
W. J. McCoy	Ass't in Distr. Room.		19 25 "
W. R. Craig	Entry Clerk		15 00 "
Jno. Ryan	Filing Clerk		15 00 "
W. O'Mara	Packer		14 00 "
R. Patterson	"		12 00 "
C. McGovern	"		10 00 "
	Carried forward.	100	

SESSIONAL PAPER No. 57

EXHIBIT 6—*Continued.*

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

LIST OF EMPLOYEES AT MAY 22, 1912.

Department and Name.	Occupation.	Total Number Employed.	Salaries.
	Brought forward.....	100	
Temporary List —*Con.*			
Stationery Division—*Con.*			
E. Bullis	Packer		12 00 per week.
Ed McKay	"		12 00 "
L. Vincent	"		12 00 "
O. Daigneault	"		12 00 "
Jas. Thomas	"		12 00 "
M. T. Conway	"		12 00 "
Wm. Bambrick	Elevator Hand		13 00 "
Parliamentary No 1—		70	
1	Foreman		30 00 "
1	Assistant Foreman		22 00 "
68	Hand Compositors		17 00 "
Parliamentary No. 2—		53	
1	Foreman		30 00 "
1	Assistant Foreman		22 00 "
50	Hand Compositors		17 00 "
1	Apprentice		12 00 "
Job Room—		33	
1	Foreman		30 00 "
1	Assistant Foreman		22 00 "
28	Hand Compositors		17 00 "
1	Proofreader		20 00 "
1	Copyholder		12 00 "
1	Handyman		13 00 "
Monotype—		45	
1	Foreman		30 00 "
1	Assistant Foreman		22 00 "
32	Keyboard Operators		19 50 "
5	Casters		10 00 to 22 00
5	Floormen		17 00 "
1	Machinist		24 00 "
	Carried forward.....	301	

EXHIBIT 6—*Continued.*

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY—*Continued.*

LIST OF EMPLOYEES AT MAY 22, 1912—*Continued.*

Department and Occupation.	Male.	Female.	Total Number Employed.	Salaries.
Brought forward	301		301	
Linotype—			71	
Foreman	1			$ 30 00 per week.
Assistant Foreman	2			22 00 "
Machinists	2			23 00 to 24 00
Ass't Machinists	2			22 00 per week.
Operators	64			19 50 "
	71			
Map Engraving—			7	
Foreman	1			35 00 "
Engravers	6			15 00 to 25 00
	7			
Press Room—			87	
Foreman	1			30 00 per week.
Assistant Foreman	2			22 00 "
Pressmen	25			18 50 "
Feeders	46			11 00 to 12 25
Cutters	2			12 25 to 15 00
Helpers	2			10 00 to 12 25
Women		9		6 50 per week.
	78	9		
Proof Readers—			48	
Foreman	1			30 00 per week.
Assistant Foreman	1			30 00 "
Proof readers	25			20 00 to 22 00
Copy holders	20			12 00 to 13 00
Woman		1		14 00 per week.
	47	1		
Bindery "A"—			167	
Foreman	1			30 00 per week.
Assistant Foreman	3			22 00 "
Rulers	5			9 50 to 17 00
Finishers	7			9 50 "
Bookbinders	55			4 00 "
Helpers	3			12 00 to 14 00
Forewoman		1		14 00 per week.
Clerk		1		9 00 "
Women		88		3 00 to 6 50
	77	90		
Bindery "B"—			87	
Foreman	1			30 00 per week.
Assistant Foreman	1			22 00 "
Binders	2			6 50 to 17 00
Cutters	2			6 50 "
Carried forward	581	100	768	

EXHIBIT 6—*Concluded.*

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY—*Continued.*

LIST OF EMPLOYEES AT MAY 22, 1912—*Concluded.*

Department and Occupation.	Male.	Female.	Total Number Employed.	Salaries.
Brought forward	581	100	768	
Bindery "B"—*Con.*				
Machine Operators	7			6 50 per week.
Truckers	5			6 50 "
Apprentice	1			6 50 "
Forewoman		1		14 00 "
Women		67		3 00 to 6 50
	19	68		
Embossing Room			9	
Forewoman		1		15 00 per week.
Assistant Forewoman		1		10 00 "
Embossers		2		4 00 to 6 50
Stamping		1		
Envelopes		4		
		9		
Stereotype—			8	
Foreman	1			30 00 per week.
Typers	6			17 00 "
Handyman	1			12 00 "
	8			
Engineering Department—			10	
Chief Engineer	1			30 00 "
Assistant Engineer	1			22 00 "
Firemen	6			10 50 to 13 50.
Elevator Operators	2			13 00 per week.
	10			
Electricians—			2	
Chief Electrician	1			1,300 00 per annum.
Assistant Electrician	1			1,200 00 "
	2			
Shipping Department—			11	
Clerks	5			18 00 to 22 00.
Carters	6			75 00 per month.
	11			
Messengers—	5		5	13 00 per week.
Miscellaneous—			62	
Carpenters	2			14 00 to 19 00.
Plumbers	2			14 00 "
Caretaker	1			1,000 00 per annum.
Clock Attendants	2			14 00 to 15 00
Charwomen		41		1 00 per day.
Labourers	14			11 00 per week
	21	41		
Grand Total	657	218	875	

EXHIBIT 7.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

COMPARATIVE STATEMENT OF INVENTORIES OF PRINTING WORK IN PROCESS OF MANUFACTURE.

	Mar 31, 1911	Mar. 31, 1912
	$ cts.	$ cts.
Linotype room	45,790 74	10,649 75
Monotype room	5,436 78	4,699 80
Hand composition	39,041,60	16,620 33
Stereotype	991 02	1,139 43
Web press		1,180 50
Large cylinder		6,432 50
Pony press	8,285 29	1,294 44
Harris press		519 30
Platen press		128 89
Bindery "A"	12,833 62	11,343 50
Bindery "B"	7,602 48	1,857 35
Bindery "C"		4,032 00
Map engraving		6,559 88
Value of plates		327 39
Paper, etc	35,521 46	39,528 62
Bindery Stock	4,905 28	1,685 27
Press room ink		453 29
Stereotype material		279 85
Lithograph and outside charges	7,280 88	6,551 96
Material in printing Branch (transferred to Stationery Office)	11,878 64	
Monotype room		17 40
Pamphlet room		175 35
Stamping room		281 89
Lithograph Engraving		350 11
Book Bindery		1,941 77
Stereotype room		59 35
Press room		1,044 63
Loose-leaf room		4,673 49
	179,567 79	123,828 04

SESSIONAL PAPER No. 57

EXHIBIT 8.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

STATEMENT SHOWING THE COMPARATIVE COSTS PER HOUR ADOPTED AS A BASIS FOR PRINTING CHARGES.

	Mar. 22, 1907 to Apr. 1, 1911	Apr. 1, 1911 to Aug. 17, 1911	Aug. 17, 1911 to Dec. 6, 1911	Dec. 6, 1911 to Mar. 1, 1912	Rates Adopted Mar. 1, 1912
	cts.	$ cts.	$ cts.	$ cts.	$ cts.
Hand composition	45	55	55	60	65
Linotype	75	75	1 00	1.00	1 00
Monotype keyboard	80	50	90	90	90
Monotype caster	80	50	90	90	90
Stereotype	45	50	85	85	85
Cylinder book	50	90	90	90	1 00
Pony press	50	75	75	75	75
Web press	50	3 00	3 00	3 00	3 00
Harris press	50	75	1 20	1 20	1 20
Platen press	50	35	60	60	70
Bindery "A"	45	45	55	55	65
Bindery "B"	15	20	22	22	22
Bindery "C"	15	15	16	16	16
Map engraving	.....	.....	.....	75	85
Authors alterations:—					
Hand	.....	55	55	60	55
Linotype	.....	75	1 00	1 00	1 00

EXHIBIT 9.

DEPARTMENT OF PUBLIC PRINTING AND STATIONERY.

COMPARATIVE SUMMARIZED STATEMENT OF WORK EXECUTED FOR PARLIAMENT AND GOVERNMENT DEPARTMENTS FOR THE FOUR YEARS ENDING MARCH 31, 1911, AS STATED IN THE ANNUAL REPORTS; SHOWING THE PERCENTAGE OF THE VOLUME OF WORK IN EACH YEAR TO THAT FOR THE YEAR 1907–1908.

	Report Table No.	Session of 1907–1908.	Percentage.	1908–1909.	Percentage.	1909–1910.	Percentage.	1910–1911.	Percentage.
Annual Reports to Parliament—	1								
Copies		242,977	100	232,850	96	210,320	87	222,155	91
Pages		24,563	100	29,369	120	24,208	99	24,908	101
Supplementary Report to Parliament—	2								
Copies		545,990	100	321,268	59	274,355	50	297,935	55
Pages		12,562	100	16,554	132	12,596	100	11,960	95
Routine of Parliament Work—	3								
Copies		57,501	100	110,051	191	81,096	141	50,009	87
Pages		18,673	100	10,658	57	17,935	96	9,728	52
House of Commons and Senate Debates—	4								
Copies		419,085	100	130,527	31	432,968	103	131,305	31
Pages		30,635	100	16,051	52	24,212	79	17,033	56
Statutes—	5								
Copies		68,200	100	59,000	87	61,150	90	69,550	102
Pages		2,428	100	2,800	115	1,962	81	2,984	123
Pamphlets and Miscellaneous Book Work—	6								
Copies		1,363,982	100	2,456,878	180	2,523,366	185	2,433,623	178
Pages		28,414	100	28,306	100	36,904	130	34,774	122
Canada Gazette—	7								
Annual Issue		102,400	100	130,805	128	159,775	156	172,625	169
Number of pages in volume		3,030	100	2,614	86	4,712	156	5,078	168
Voters' Lists—	8								
Copies		1,620	100	26,754	1,651	1,080	67	90	6
Pages		750	100	6,431	857	41	5	65	9

Letter Press Departmental Work—	9 and 10								
Envelopes		5,503,686	100	14,293,664	260	14,583,478	265	18,892,365	343
Copies		50,047,952	100	64,482,080	129	84,000,650	168	75,259,367	150
Plates in Annual and Supplementary Reports—	11								
Plates in each Copy		99	100	117	118	94	95	80	81
Number of Copies E. & F.		128,595	100	136,925	106	45,315	35	138,325	108
Total Number of Plates		1,326,915	100	2,155,565	162	818,375	62	1,985,045	150
Books Bound—	12 and 13								
Calf		8,969	100	8,198	91	8,657	97	9,334	104
Roan		5,872	100	8,301	141	6,805	116	17,838	304
Sheep		7,965	100	8,238	103	2,914	37	3,409	43
Skiver		15,884	100	13,771	87	21,526	136	30,566	192
Cloth		62,025	100	53,855	87	89,137	144	80,815	130
Perforating	14	2,836,450	100	5,755,600	203	5,505,670	194	5,582,258	197
Numbering	"	5,431,300	100	7,963,150	147	6,466,760	119	7,725,600	142
Packing	"	77,663	100	130,508	168	146,283	188	163,628	211
Number of Maps and Plans Mounted	"	1,691	100	2,927	173	8,021	474	3,196	189
Number of Pads Made—	15 and 16	27,770	100	34,993	126	62,853	226	125,997	454
Prepaid Post-Office Envelopes—									
Making, Printing and Stamping—	17								
Quantity made and stamped 1c		451,000	100	1,075,500	238	1,152,000	255	1,930,000	428
" " " 2c		2,554,000	100	2,377,000	93	2,844,000	111	3,138,000	123
Die Stamping of Note and Letter Headings and Envelopes—	18								
Number of Impressions		1,401,930	100	1,463,385	104	1,485,135	106	1,765,031	126
Number of Envelopes		539,185	100	519,720	96	672,250	125	676,457	125

PUBLIC SERVICE COMMISSION

1912

VOL. II

EVIDENCE

RE

REPORT OF THE COMMISSIONERS

PRINTED BY ORDER OF PARLIAMENT

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1913

[No. 57—vol. ii—1913.]

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PUBLIC SERVICE COMMISSION

1912

EVIDENCE

RE

LAKE TIMISKAMING DAM CONTRACT

PUBLIC WORKS DEPARTMENT

PUBLIC SERVICE COMMISSION

OTTAWA, FRIDAY, January 19, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

ARTHUR ST. LAURENT, Assistant Deputy Minister of Public Works, sworn:—

By the Chairman:

Q. When were you appointed to your present office? A. I was appointed, I think, in August, 1908, the same year as the new Civil Service Act was passed.

Q. How long previously had you been in the government employ? A. Since 1889.

Q. In the Public Works Department? A. In the Public Works Department all the time, but not in Ottawa. I was seven years in Winnipeg in the Resident Engineer's Office, and in 1899, I was transferred to Ottawa.

Q. You are an engineer by profession? A. Yes, sir.

Q. In connection with the Timiskaming Dam matter, which we are about to inquire into, you had particular charge of that, had you not? A. Well, not particular charge; I was not the engineer in charge, but I had lots to do with it.

Q. It was under your department? A. Yes, and many things were reported to me direct.

Q. You had control of the work rather than the Deputy Minister? A. Well, all engineering matters would be either referred to the Chief Engineer or to me.

Q. The Chief Engineer would report to you concerning this matter, would he not? A. He would not report to me directly. He would report to the Deputy Minister directly, and the papers would be referred to me. I do not know if they were all referred to me or not.

Q. In the discussions of this matter with the Minister, you would be the person to whom he would speak in the office? A. Naturally, it would be the Chief Engineer first, and, at the time, as the Chief Engineer was ill most of the time, then these matters came more to me which would have gone directly to the Chief Engineer otherwise.

Q. Getting back to the early history of this matter, surveys were made some time about 1905. A. Yes, by Mr. G. F. Brophy.

Q. And it was proposed to build a wooden dam at the head of the island at the foot of the lake, which divided the Ottawa River into the East and West Channels? A. Yes, the Quebec and Ontario Channels we call them.

Q. The East Channel is commonly called the Quebec Channel and the West Channel the Ontario Channel? A. Yes.

Q. Up to 1908, when tenders were called for, were any further surveys made than had been made by Mr. Brophy? A. About the dam, not to my knowledge. I know, as a fact, that instructions were given by the Chief Engineer to Mr. Brophy to prepare contract plans for that dam some time in 1908.

Q. I am only asking you, as to your own knowledge; whether any surveys, to ascertain the conditions more accurately were made between 1905 and 1908? A. Not to my knowledge.

Q. The dam proposed by Mr. Brophy and held in mind right through 1908 was to be a wooden dam at the head of the island? A. Yes, Mr. Brophy was supposed to have all the information, and he was asked to prepare contract plans.

Q. Now, with regard to the scheme to build a wooden dam, at the time the tenders were called for in 1908, did the Department have such definite information that you as an engineer would say the dam could be proceeded with? A. Well, I cannot say anything as to that. The information was in the hands of Mr. Brophy at the time. I do not know what information he had when he was asked to prepare plans for that. I do not know what amount of information he had; it was only after that that the matter came under my special knowledge.

Q. I find that Mr. Matheson reported to you on October 9th, 1908? A. Yes.

Q. What was Mr. Matheson? A. Mr. Matheson had been added to Mr. Brophy's staff originally to push the work along. Mr. Brophy had Mr. Perrault, and as there was pressure on the Department to hurry up the work, Mr. Matheson came in then with the intention of pushing the work as much as possible, and Mr. Matheson was added originally to Mr. Brophy's staff. I think he was told to report to Mr. Brophy.

Q. Did you know Mr. Matheson before that date? A. Yes, Mr. Matheson had been working for me on the Georgian Bay Ship Canal Survey.

Q. He was an Engineer? A. He was an Engineer. May I tell you how it came about that this work came to pass from Mr. Brophy's hands to the Ottawa River Staff.

Q. In the first place, Mr. Brophy had charge of what? A. He had charge of the construction of reserve dams. In surveying from the Georgian Bay Ship Canal, we found that reserve lakes were necessary in connection with the Canal project, and so the two things dovetailed together a good deal. But Mr. Brophy had made his surveys then, and we made further surveys and investigations in connection with the Georgian Bay Canal to find out how much reserve we could get in order to decrease the fluctuations in the Ottawa River and render navigation more easy. As you know, there was pressure brought on the Government to start these dams as surveyed by Mr. Brophy. There were deputations and they brought out the facts that the going on with that scheme of reserves would increase the low water flow, benefit the water powers in the river, and the navigation at extreme low water in the river. The navigators had some trouble. Then, Mr. Brophy was asked to prepare plans. The plans were prepared for a wooden dam and tenders were called in due time, and one day Mr. Brophy called me up to his house; he had been ill for quite a few weeks in bed, and he asked me if I would not arrange so that this work he had in hand could be passed to the old Georgian Bay Ship Canal Staff, which were not quite finished at the time, and we were continuing investigations in connection with storage and regarding the navigation project. I told Mr. Brophy that I would make a recommendation to the Minister, so that this work would pass under the storage staff, in connection with the Georgian Bay Canal. I made a memorandum to the Minister and suggested that the work be placed in charge of Mr. Coutlee, who was carrying on the investigations. This was approved of. Then these plans for the wooden dam, came more particularly under my notice then, and as an engineer I was in favour of permanent construction for these dams, and I took the whole responsibility for recommending that the change be made.

Q. Can you fix, accurately the date of your interview with Mr. Brophy? A. I cannot.

Q. It was in 1908 evidently? A. If I remember well, it was during the winter and he had been sick in bed for a long time.

Q. You say that was in the winter; you had been reported to by Mr. Matheson in October, 1908, concerning this dam? A. I don't remember the date.

Q. You must have assumed charge of it by that time? A. I was not in charge of the construction; I was in charge only of the proceedings that took place between the Engineers.

Q. I am not referring to the actual work of construction; I am referring to the Department dealing with the matter. It had by that time, October 9, come to you, because Mr. Matheson reports to you on that date? A. That must be so.

Q. Your interview with Mr. Brophy must have been prior to that? A. I cannot say if it was prior or not.

Q. Why was Mr. Matheson, who was on the Georgian Bay staff, reporting to you about the Timiskaming Dam, unless the work had passed from Mr. Brophy to that staff? A. Mr. Matheson had first been given as a help to Mr. Brophy. I think there are letters that will show that.

Q. If it was still with Mr. Brophy and Mr. Matheson would the reports be made to you? A. Not to me directly.

Q. This report is to you directly? A. That may be.

Q. I am trying to fix, as a fact, whether you had assumed some special supervision over the matter by October, 1908? A. I cannot say. It must have been after that that the transaction was made. I have not seen these papers for a long time and the dates I cannot recollect.

Q. So far as the wooden dam was concerned, its object was in connection with the Ottawa River navigation? A. Its object was the reserving of water for the increase of power, and to help navigation during the low water periods.

Q. The wooden dam that was contemplated and the raising of the water in that way, would have no connection with the Georgian Bay project? A. It would have, to some extent.

Q. Well, I find this expression in the letter from Mr. Matheson to you, dated October 9, 1908; he says:

> "Owing to the short time at my disposal, I have not had time to figure the stability of the dam with these probably unconsidered conditions, as they would be entirely in reference to the operation of the Georgian Bay Canal and therefore outside of the conditions for which this dam is proposed."

A. Well, for the Georgian Bay Canal, we wanted the dam built higher.

Q. The original dam that was first proposed had nothing to do with the Georgian Bay conditions? A. It had, so far as the quantity of water reserve is concerned. Mr. Brophy I think proposed to raise the level only five feet something, and we wanted to raise the water much more than that, in connection with the Georgian Bay Canal scheme.

Q. If you applied it to the Georgian Bay Canal scheme, you would have to have a higher dam? A. Yes, so as to have more reserve.

Q. When you started with your suggestion that it should be built of concrete and be a permanent structure, you had the Georgian Bay Canal scheme also in your mind? A. Oh, yes.

Q. And you wanted that concrete dam so that it might serve that purpose? A. Yes.

Q. Consequently, it would have to be a much higher dam than the wooden dam that had been intended? A. Well, it would be built so that we would conserve a higher depth of water on top of low water.

Q. What you mean is this: When, on your advice, the Department decided to build a concrete dam, you intended to have that dam higher than the old wooden dam? A. Oh, yes.

Q. And, consequently, the extent and size of the dam would be very much greater than the wooden dam? A. Yes, it would be greater, certainly, in height.

Q. It would have to go much further down in order to get stability? A. Not necessarily. At the time it was thought that the foundations were rock with the information in hand, but when this was taken over by our staff, new investigations were made, and they did not find any rock. The old plans for the wooden dam, showed a rock surface. I think that the bed of the river was so tightly packed with great boulders, brought down by glaciers, that this was taken for rock.

Q. Now, the plan showing it was rock, which was before you, when you decided on concrete, had been made by Mr. Brophy and his staff? A. Yes.

Q. And, when you proposed concrete, you had only these plans before you? A. I had only these plans before me, and I ordered a new investigation and that was carried out by Mr. Coutlee and Mr. Matheson.

Q. By the way, speaking of Mr. Coutlee, he is a civil engineer? A. Yes sir.

Q. Permanently employed by the Department? A. Since 1904. I would not call him permanent; he is an extra employee; he is not under the Civil Service Act; he is an outside man.

Q. Did the Department employ him before 1904? A. He was employed by the Railway and Canals Department before that on the Soulanges Canal.

Q. Is he continuously employed now, and has he been since 1904? A. Yes, sir.

Q. You say that it being decided to build of concrete, Mr. Coutlee was instructed? A. To prepare new plans for concrete.

Q. That required quite a long time to do it, did it not? A. Yes, quite a long time.

Q. When did Mr. Coutlee start that work? A. I cannot say without looking at the papers. He started at work the moment he got his instructions to take charge.

Q. For instance, I find on February 16th, 1909, that the Chief Engineer says: "Mr. Brophy had been instructed to arange for the prepartion of contract plans and "specifications"—he would apparently be in charge of the work then? A. Yes.

Q. And the plans there referred to must have been for the wooden dam? A. Yes.

Q. Mr. Brophy has nothing to do with the plans for the concrete dam? A. No.

Q. On February 10th, you sent a memo. to the Chief Engineer in which you say that the principles of building permanent concrete structures, &c., has been adopted, and then you go on to say: "The plans and specifications for these dams should be prepared with the shortest possible delay"—that was the commencement of the active work under you? A. Yes.

Q. When you say that the principle of building permanent concrete structures has been adopted, what authority was there for that statement? A. Well, I discussed the matter with the Deputy Minister and the Minister, I think there must be a memo. on file from me in this connection giving my reasons. It was simply approved.

Q. On January 16, 1909, you said a memo. to the Minister that the dam should be built of concrete? A. Yes.

Q. Then, that matter was discussed between you and the Minister and the Deputy? A. Yes.

Q. And on February 10th, you told the Chief Engineer that a decision had been arrived at? A. Yes, that the recommendation had been approved.

Q. On February 4th, the Deputy Minister, writing to the Minister, refers to you a recommendation for concrete and to the objection made by the Auditor General, and on the 20th of February, the Minister made a memorandum for Committee of Council, authorizing the change to concrete? A. Yes.

Q. Now, various memorandums are prepared to go to Council in the name of the Minister, and in preparing these memorandums for Council, who would have to make

all preparations for them? A. Well, the Secretary first, ordinarily, being his recommendation on the reports that are on file. The Secretary does practically all the work of preparing the recommendation.

Q. He prepares the recommendation, he would have to consult with whom?—A. Well, these are handed to the Deputy Minister and the Deputy Minister makes corrections sometimes.

Q. Do you mean to say that the Secretary when he makes his draft hands it to the Deputy Minister and the Dupty Minister criticises it? A. Well, that may be.

Q. And the Secretary gets his instructions in what way? A. He gets his instructions to prepare the recommendations to Council, directly from the Dupty, and he looks at the file. If the information is complete, he bases his recommendation on that and goes back directly to the Deputy. If the information is not complete; if it is technical information he wants, he refers to the Chief Engineer's Office to give him a recommendation, and in some cases he would come to me.

Q. We will take these various memorandums; there were four or five that went to council in the course of this dam matter, which matter was under your charge; it would be natural that the Secretary in preparing these memorandums should consult you? A. In this case, he consulted with me, and when he did not, he had all my memos.

Q. But you would be the source of his information on the matter? A. And I would get my information from engineers as to data.

Q. Now, looking at the memorandum to Council, dated the 20th of February, I find that Council adopted that memorandum on March 13th, but on February 10th, 10 days before the memorandum, you had told the Chief Engineer that the principle of building of concrete had been decided on? A. Well, on the approval of the Minister.

Q. The point I want to get at is this: the decision to build of concrete instead of wood, and the order to proceed with the plans and specifications for concrete, had been adopted by your Department, more than a month before the Committee of Council approved? A. It may be according to these dates. The moment the Minister approved and he signs the recommendation, there may be quite a time that elapses before the approval of that recommendation by Council, and the Minister very often, or the Deputy, will tell the engineers to go ahead with the preparation so as to lose as little time as possible.

Q. I want to get at this particular matter now. After the consulaion on February 10th, 1909, you are able to tell the Chief Engineer that concrete has been adopted? A. Yes.

Q. Ten days later, the memorandum is prepared for Council, containing the recommendation of the Minister, and that is adopted, by Council on the 13th March. A month prior to its adoption, the Engineer had begun preparations for plans and specifications for the concrete structure. Then, the Department was committed to the work of going on with his concrete before Council gave its approval? A. Well, it was not permitted to build of concrete, for if Council decided not to do it the preparation of plans simply dropped.

Q. What preparation for the plans was necessary? A. Do you mean for the concrete?

Q. Yes? A. Well as the first plans that came under my notice did not define very well the kind of foundation—rock was shown and then some dotted line, and as it was more important for the concrete structure to have all the information possible about the foundations, they had to carry on some investigation, some further borings, and then, of course, the concrete plan would have to be different from the wooden entirely.

Q. And when you ordered these plans and specifications you not only started out with reference to the concrete structure, but also with reference to the increased dam, and its connection with the Georgian Bay Canal project? A. Oh, yes, that idea has always been kept in view

Q. On February 26, 1909, you recommended that Mr. Coutlee should take charge of the whole storage investigation? A. Yes.

Q. You say: "I find it impossible myself to continue in charge of that part of the storage connected with the Georgian Bay Ship Canal, and I therefore suggest Mr. Coutlee to take charge of the whole storage investigation?" what do you mean by storage investigation? A. Storage investigation, in connection with the Georgian Bay Canal, was much more elaborate than what Mr. Brophy had done with a view to relieving the conditions for the water powers. We had not only to look into the possibilities for conserving water on the main Ottawa River, but on the tributaries too, and Mr. Brophy's investigation covered only a few of the lakes, and we had to cover the whole of the watershed of the Ottawa River, in order to find enough basins or reserve lakes by which we could reduce the fluctuations of the Ottawa River to a certain minimum, and augment the water flow to a certain maximum. The investigations are still going on. They were very extensive, it will take years to collect the information; it is a big country and it is a very difficult country to go through.

Q. I find that it was not until July 12, 1909, that the Chief Engineer submitted the plans and specifications? A. Yes, for concrete dams.

Q. It took a long time? A. Yes, it took quite a long time.

Q. Can you fix the date when the actual work of further investigation began at the site of the dam? A. I think right after Mr. Coutlee got his instructions from the Chief Engineer. I think he ordered some borings first, and the investigation must have started right away.

Q. Mr. Coutlee on March 9th acknowledges his appointment to the charge of the work. In a memorandum by Mr. Coutlee to the Chief Engineer, dated April 5, he says: "During the first week of March, the writer and Mr. Matheson visited the dam site, and arranged to have two test pits dug on the Ontario side." These had been ordered by the Chief Engineer and were necessary to find the nature of the bottom? A. Yes, to find out if really rock was there.

Q. As a matter of course you could not begin to build a concrete dam without having test pits sunk and finding actually the nature of the bottom? A. Not unless the bottom was visible and it was evident we had rock.

Q. Under the conditions that existed in that place, you would not build a dam without test pits having been made? A. No, I would not do it without investigation.

Q. Would any sane engineer undertake such a work without doing that? A. They would not, certainly, without investigating the bottom.

Q. Well then, until that was done, the cost of a concrete dam there could not be, even approximately fixed, could it? A. Well, it turned out that it could not. But the old engineer under Mr. Brophy when asked what quantity of concrete would be required, if a change was made from wood to concrete, gave a certain quantity on the data he had and the plan.

Q. And on the plan which had been made for a wooden dam? A. Yes, he gave quantities based on that. At the time we did not know rock did not exist. I had never been there myself, you see.

Q. When it was decided to build a concrete dam at that place, you immediately, as a matter of course and of good practice, ordered testings to be made? A. Certainly.

Q. That implies does it not that work of that kind could not have been commenced, without having such testings? A. Oh no, it could not be designed or commenced without that.

Q. And, consequently, in preparing an estimate, on the information you had at that time, as to what a concrete dam would cost in the place of the wooden dam, it was merely guess work? A. Well, it was not guess work; the first quantities given by the Engineer were based on the plan which he thought was right.

Q. But it was based on a supposition, namely, supposing the original plan to be right, there would be so much work to be done? A. I do not think he had any reason then to suppose that the plan was not right.

Q. Why did you begin to make test pits afterwards? A. Because it was to be changed from wood to concrete, and we had to take a good deal more care with concrete work.

Q. But you supposed that plans might not be right? A. I supposed that the plans might not be right because I saw a dotted line on the section which showed they were not sure whether the rock was there or not.

Q. As a matter of fact you proceeded upon the principle that you could not rely on those plans before you? A. For a concrete dam, I certainly did.

Q. Then, when the first estimate was made that a concrete dam would cost so much, it was based on this proviso—provided the plans made for the wooden dam are correct? A. Yes, the first estimate had been asked, and I don't think I had thought of the change at the time. I was simply asked what would be the quantities for a concrete dam instead of a wooden dam on the section shown.

Q. Assuming that the plans were right? A. Yes.

Q. But as a matter of fact, you did not assume for a minute that the plans were right when you came down to the question of building? A. I was in doubt about the foundation.

Q. As a cautious engineer, you would not assume they were right? A. I was in doubt, because the definite information was not shown on the sections.

Q. The thing has gone on now, and you have had experience? A. Yes.

Q. I put this question; when in March, the memo. to Council was prepared in which it was stated that concrete in place of wool would cost $108,000 you had no sufficient data before the Department to assure Council that the cost would be $108,000 or anything like $108,000? A. I thought the Engineer had.

Q. I am not asking you what you thought then; I ask you if, as a matter of fact, there was sufficient data? A. I do not know what data the Engineer had at the time. We simply asked his quantities. So far as I am concerned then, I simply asked his quantities.

Q. I know, but this has gone on for several years now, and you know what it has cost? A. Oh, it has gone beyond our expectations.

Q. Now, suppose Council had asked you to come before it, and at that time had said: Mr. St. Laurent do you pledge your professional reputation that you have sufficient evidence before you upon which to base us an estimate which you believe will be approximately correct, what answer would you have made? A. I would have to refer Council to the quantities given by the Engineer at the time. At the time I did not know any more than anybody else; we had to take the Engineer's report.

Q. But I am asking you now a definite question; you were placed in immediate charge of this work? A. No, not in immediate charge of these details.

Q. I am not talking about these details, but you had to advise the Minister? A. Yes.

Q. And you were an engineer of experience? A. Yes.

Q. Suppose the Committee of the Privy Council had sent for you to come before it at that time, and they put this question to you: Now, Mr. Assistant Deputy, Council is anxious that when it starts this work, it shall know as closely as possible what it is going to cost, are you ready to pledge your professional reputation that you have sufficient data and are sufficiently certain about it to give us an estimate which will be as accurate as any estimate could be, what would your reply be? A. I could not do it, sir. I had to base my recommendation on the quantities and report of the Engineer at the time. I could simply answer that I trusted the Engineers.

Q. Would you have answered that you trusted the Engineers? A. Well, that I trusted their report, and the report to Council was prepared and based on that.

Q. But they had never reported on the concrete structure? A. The quantities had been given by Mr. Perrault who was working then under Mr. Brophy and who reported that it would take so much concrete to change from wood to concrete.

Q. But to be fair to Mr. Perrault, the question put to Mr. Perrault was—? A. I want to be fair to Mr. Perrault.

Q. We all want to be fair to Mr. Perrault—the question put to Mr. Perrault at that time was simply this: take the plan made for the wooden dam, and all the data prepared for the wooden dam, and just change from wood to concrete, so that your location and the dimensions remain the same, and all that is changed is from wood to concrete, what will it cost? That was a simple mathematical computation, was it not? A. He had to prepare a new section for concrete, to meet the object in view, according to Mr. Brophy's report, and base his quantities on the section of rock shown on his plan. Mr. Perrault thought his plans were right. I do not think Mr. Perrault took these sections himself.

Q. And when he was asked to make that calculation his answer was based upon the assumption that all the material before him was correct? A. There is no doubt about that.

Q. Then, so far as Mr. Perrault's answer is concerned, it is merely applied to the change from wood to concrete? A. Yes.

Q. Then, when further test pits and the other things were ordered, it was because the Department knew it had not sufficient information to authorize it to go on with the concrete dam? A. Well, the new Engineer had to get his own information, and that is a thing that developed gradually. They ordered test pits and it developed gradually that the location of the dam had to be changed, and that we had better provide at the same time for a higher depth of water. All this developed gradually after.

Q. That you would have to provide for a higher depth of water was known at the very beginning of your concrete proposition; you told me that you had decided to change from wood to concrete because you wanted it higher? A. Not exactly at the beginning; that is the thing that developed gradually.

Q. Do you mean to say that you decided to change from wood to concrete before you decided to raise the height of the dam? A. I do not remember about the height of the dam, at the time. It developed gradually when the plans were brought in by the Engineers.

Q. When you ordered new plans and specifications to be made, and test pits to be commenced—or when it was ordered you agreed because you were in charge—you did it because you considered it good practice to do it before you started upon the construction of the concrete structure? A. Oh, yes.

Q. You would not have thought as an experienced engineer, of commencing such a large concrete structure without further examination? A. And I was probably advised at the time, after having talked with the Engineer, it would be safer to make further investigation.

Q. You say that 'probably' you were advised; were you advised? A. Well, in talking with Mr. Coutlee, and the Engineers——

Q. Do you say, as a matter of fact, that you were advised to do it? A. Oh, yes, all these things are discussed.

Q. Do not get into generalities; I am just testing your memory now; do you remember that somebody told you that it would be safe to have a further plan made; do you remember someone saying that to you? A. I think so; I think it was discussed with the Engineers and that was the conclusion arrived at.

Q. I want you to be particular if you can remember; do you remember anybody saying that to you? A. I do not remember anybody in particular.

Q. Did the Chief Engineer advise you you should have these test pits made? A. He did not advise me, he would have advised his engineers.

Q. I want to know whether he did, as a matter of fact, advise you that further tests should be made? A. I do not think so, because the Chief Engineer was ill most of the time.

Q. Did Mr. Coutlee advise you? A. Oh, yes, it was agreed together.

Q. I know it was agreed together; was it agreed together because you said that to Mr. Coutlee or because he said that to you? A. I cannot remember whether Mr. Coultee mentioned the matter first, or whether I mentioned it first, in the general discussion.

Q. Do you remember any special reason he gave you for it? A. No.

Q. Tell me why you decided it was desirable and necessary to make further tests and further inquiries about the matter? A. Well, on account of the changes that were necessary in connection with the concrete structure.

Q. You mean they were involved in the very fact of the concrete structure? A. And then, as a new engineer was placed in charge, naturally he might not have the location, he might not think the location, first selected, suitable to him.

Q. I want to get down to this—when it was decided in the Department to build of concrete instead of wood, did not that decision involve necessarily further tests, and plans, and specifications; did it not make these necessary? A. Do you mean the moment is was decided?

Q. Yes, the mere decision. Did it not make it necessary? A. It would have made it necessary if at the time we had known the condition of the bed of the river to be very different from that shown on the plan we had.

Q. Probably unintentionally, you are not answering the question, and I will put it plainly to you—I am speaking now to you as an engineer, as the head of a very important work and I say: With all the information in your possession at the time, and in view of the surrounding circumstances of every kind, when it was decided to change from wood to concrete, did not the fact of that decision to change the material necessarily imply that you must go and make further tests and plans and specifications? A. Well, not exactly, at the time the change was recommended, because I simply had not the information in hand myself; but simply had the quantities for the concrete dam to meet the object in view to replace the wooden dam. These quantities were given to me.

Q. You do not understand the question—when you made up your mind that you are going to put concrete there instead of wood, did it not at once occur to you that you could not begin building concrete without further tests and examination? A. That occurred shortly after, there is no doubt. At the time I took the section as being correct, but shortly after, these things gradually developed. I answered that these tests were certainly necessary in connection with the change.

Q. Do you mean that you would in any case advise that a concrete dam could be built where a wooden dam had been intended, without further investigation as to tho material and the nature of the bottom and all that sort of thing? A. I would in case of rock foundation, certainly.

Q. In case that the examination into the foundation had been sufficiently thorough to leave no doubt? A. When I made that recommendation, I thought that the investigation had been thorough. It was only shortly afterwards that it gradually developed that rock was not shown everywhere.

Q. When did this develop? A. Oh, shortly after.

Q. How shortly after, and what caused it to develop? A. Well, I think that in Perrault's orginal plan, I saw some rock was shown and others had for rock a dotted line which showed that they were not sure about the rock surface for that part.

Q. The orginal plan for the wooden dam showed that dotted line? A. Yes.

Q. And when that dotted line was meant to indicate that the bottom there was not certain? A. Yes.

Q. Now, clearly, up to that time you had not examined carefully Perrault's plan? A. In the course of ordinary business these plans don't come before us. They pass through the Chief Engineer and they then make these specifications.

Q. You say it was an examination of Perrault's orginal plan which caused you to feel that something more was necessary? A. Yes, to notice something more was necessary.

Q. And that original plan you had seen when you were considering the wooden dam? A. Yes, but it did not occur to me at first when I first saw the plan about this feature of it.

Q. It would be an engineer's duty to notice and ask what that meant? A. It would be the Chief Engineer's Branch.

Q. The Chief Engineer's Department or Branch should have noticed that and been aware of what it meant? A. Well, yes.

Q. When you were discussing the change from wood to concrete, did you consult with the Chief Engineer's Department about that? A. No, about the change from concrete to wood and to the principle itself, I take the whole responsibility of that recommendation.

Q. Yes, as to the principle? A. As to the principle of building concrete dams instead of wooden dams, which we would have to replace and which probably would be laid on the bottom and all that kind of thing.

Q. You would say, and anyone would say, that for a permanent work, concrete was better than wood? A. Yes. I take the whole responsibility for the recommendation.

Q. Then I want to get down to this—when you recommended that, and the Minister and the Deputy and yourself were consulting about that change, was the Engineer's Department asked what the concrete dam there would cost? A. When I made the recommendation for the change, I cannot say whether they were asked before that or after; it was asked anyway, whether it was before or after.

Q. But the principle of building with concrete instead of wood was adopted and recommended to Council, and you don't know whether or not the Engineer's Department was asked what that would cost? A. I do not know whether it was before or after.

Q. Furthermore, when the quantities were made up upon the change from wood to concrete, they were made, not by the Engineer's Department, but by Mr. Perrault? A. Yes, he sent the original quantities based on the original section.

Q. He was not in the Engineer's Department? A. He was under Mr. Brophy at the time, that is the Engineer's Department.

Q. He is an outside man? A. Oh, yes, he is not permanent.

Q. He was not in the office at Ottawa under the Chief Engineer? A. No.

Q. Can you tell me why Mr. Perrault was asked to give these quantities instead of your simply asking the Chief Engineer's Department to give you the quantities? A. That is probably because Mr. Lafleur, the Chief Engineer, was sick. I must have asked the quantities from Mr. Perrault direct, so as to hurry up matters. It was at the time that the Chief Engineer was away.

Q. I find that Mr. Perrault gave a report to Mr. Lafleur the Chief Engineer, under date January 14th? A. Yes, and he was probably asked by telephone to supply these quantities. There may not have been any letter asking him to supply these quantities.

Q. And you say that Mr. Lafleur may have been away at the time? A. Yes, I know he was away most of the time.

Q. There were some complaints made later on in the history of this matter about flooded wharves and landing places in the lake? A. There was a year of very high water, two or three years ago, when all these wharves were flooded.

Q. I find a memorandum from you saying that undoubtedly later on all the landing-places in the Lake will have to be raised at the public expense? A. Yes.

Q. There was a considerable amount paid later on for flooded lands? A. Not in connection with the Timiskaming; there has been nothing paid that I know of in connection with that.

Q. Have there been claims? A. Oh, yes, and we are still surveying the low parts that will be flooded.

Q. Would that be partly in consequence of raising the dam when you changed from wood to concrete? A. That would be partly in consequence of the higher level that we are going to maintain than was at first proposed.

Q. What I want to get at is this—if that wooden dam had been built there these complaints would not have arisen? A. Not to the same extent.

Q. The project of putting the wooden dam there was merely to conserve the waters of the lake in dry seasons? A. At all seasons to reserve part of the flood water and let it go during September and October.

Q. That would not have raised the level of the lake in flood waters? A. No.

Q. It would only have kept up the level of the lake in midsummer? A. Yes, five feet above low level.

Q. And that five feet would be distributed late in the fall and during the winter? A. Yes.

Q. In a memo. dated January 16, 1909, made by you, you say:

> "Owing to a clerical error in preparing the form for tender, in this work, the bulk tender was called for while the plans and specifications had been prepared with a view to having the work performed at unit prices."

What kind of clerical error would lead to that? A. We have printed forms which are submitted to intending tenderers to put their tender in. These printed forms up to two or three years ago, were all made out in bulk sum estimate. Later we began to call for tenders for unit prices based on certain quantities. The clerk that usually prepares these left that clause about the bulk sum in. There was a schedule of quantities and prices, but he left the clause for the bulk sum. By error it went to the printing bureau like that and these things never come back to us until they are advertised. It was only then noticed that the clause with the bulk sum had been left there. It was clearly intended to call for tenders by the unit so much per cubic yard.

Q. What was there to indicate that such was the intention; what memo. or otherwise is there to show that? A. There was an itemized statement of the materials.

Q. Now, taking the form of tender which I have before me, I find, first, it contains a place for a bulk sum and then I find this:

> "We also offer to execute work and to furnish all labour and material in connection therewith, subject to all conditions and requirements, and to bind ourselves to accept these prices at the rate and price which we have affixed to the different items in the following tables."

Certainly, that form of tender is quite consistent with the idea that this schedule of prices was to be applied to extra work? A. It was exclusively intended for the unit prices.

Q. What is there to prove that? A. That was the intention at the time. I do not know if the specifications did not show it. Have you got my memo. in this connection there?

Q. Yes, I think I have, but it does not say anything about that. It says it is a clerical error. It may have been an error, but it was not a clerical error, by any means? A. That was the view, and I would not state it without it being true. The clerk prepared the form there.

Q. What you mean to say is this: that your Department intended to call for unit prices? A. Oh, yes.

Q. And that the tender, as actually put before tenderers to be signed, called for bulk prices, with the schedule of prices, that, according to the tender, applies to extra work? A. Yes, and the part for the bulk sum should have been left out.

Q. Was the attention of tenderers drawn to that so-called error, before they put in their tenders? A. I cannot say, sir.

Q. Have you any reason to believe that it was? A. I think I would have some reason to believe, because some of the tenderers figured their old tenders based on that schedule list.

Q. That would be a very natural thing? A. That would make up the bulk sum, but they did figure on the old quantities.

Q. If you put the specifications forward containing particulars of the materials which are intended to form the structure and the tenderer is going to make a bulk sum price, he would naturally proceed by making out his own quantities as unit prices? A. Yes, he would calculate his own quantities, if we did not give them: sometimes we give the quantities.

Q. Did the specifications give the quantities? A. Yes, there is a list of all the material that would enter into the work.

Q. If, in these schedules, the unit prices were not intended by the tenderers merely for extra work, how would they have arrived at the bulk price without knowing the quantities? A. By taking their own quantities.

Q. It makes no difference how the tenderer gets the quantities, whether he works them out or whether you supply them, when he is going to consider about tendering, he must proceed in his calculations on the unit prices? A. Yes, but what I want to make out was that the tenderer did not make that schedule for extra work only. Some of them put their prices and extended their figures and adopted their bulk sum thereafter. What I mean is, that they did not make an itemized schedule of quantities only for extra work.

Q. Oh, no, in other words, you mean to say that the tenderers intended to ask for extra work only the same rates they were asking for the bulk work? A. Yes, but they extended their quantities and based their tenders on that.

Q. Precisely, in their tender they evidently contemplated the same price for the bulk work as for the extra work? A. Yes.

Q. Now I get back to the facts—do you remember that any tenderer was informed in any way that the Department desired united prices for the whole work and not a bulk tender? A. No, I cannot say that. These things may have been discovered only after.

Q. As a matter of fact, you have no reason to suppose that anybody discovered this error, as you call it, before you discovered it yourself? A. No, I knew practically what the intention was. Have you got the specifications here?

Q. No, the specifications have not been provided. A. There must be some clause dealing with the tenders and the prices in the specifications. There must have been something in the specifications which would show that the intentions were to call for tenders at unit prices.

Q. You say in that same memorandum, referring to the Department's intention to have unit prices: "This was necessary on account of the impossibility of determining the true profile of the rock formation underlying the loose material in the bed of the river, which at one point is very deep, and to survey, to enable reliable test borings to be made." A. Yes, it has been impossible to make tests in that part.

Q. But you told us a moment ago that the fact that the plan, &c., could not be relied on only occurred to you when you discovered that Mr. Perreault's plan had a dotted line? A. Well, about that time or shortly after.

Q. Now, in this that I have just quoted from you, you are referring to the intention of the Department, away back in October, 1908, when it called for prices; don't you there see that the Department must have had that knowledge of the unreliability

of this plan in its mind when it asked for tenders? A. Well in all hydraulic work, there is always an uncertain element, and that was one of the reasons why it was intended to call for tenders by unit prices, because no engineer, and nobody, could state exactly what amount of material really would have to be excavated or what amount of crib-work would have to be built in the end. Even a rock surface, if you have it under the river bed, where you cannot see it, has many inequalities, and that cannot be determined until you do the actual work. In every case, we never can state the exact quantity.

Q. As a matter of fact, the Department when it asked for tenders in 1908, knew that reliable test borings had not been made? A. I do not know about that; Mr. Brophy must have made some tests.

Q. Did the Department ask for tenders, believing that it had reliable information, or believing that the information it had was not reliable? A. It had reliable information, so far as it could go in connection with hydraulic work.

Q. Well now, could not reliable test borings be made some time after? A. In one part of the river it was practically impossible to make test borings.

Q. Your argument here is, that the Department intended to ask unit prices and not bulk prices in October, because it knew, upon the information in its possession, that the cost of the work could not be reliably estimated? A. It could not figure, because the quantities might be more or less.

Q. And they might be greatly more or less? A. Oh yes.

Q. That is what I tried to get at in the beginning of your examination—when the work of building the concrete dam was started, in the very nature of things, what it was going to cost could not be known? A. Well, not exactly.

Q. Would you say, even approximately? A. Not even approximately in hydraulic work of this kind. We do the best we can to state the quantities to the best of our knowledge, but in hydraulic work there are so many hidden things, that our assumption, or whatever it may be, our deduction may be all at sea.

Q. That does not mean, to the best of your knowledge at the time you made a certain proposition, but to the best knowledge which under natural conditions, you can arrive at. When you say: I gave an estimate to the best of my knowledge, you don't mean that you gave an estimate to the best of the knowledge which you happened to have? A. To the best of my knowledge according to the information I had before me.

Q. Then your estimate when you started to build the concrete dam, was given merely to the best of the knowledge you had at that time? A. Yes, to the best of my knowledge.

Q. I want to get the meaning of that phrase—what do you mean, to the best of the knowledge you happened to have or to the best of the knowledge you could get under natural conditions? A. Well, to the best of the knowledge that I could get under natural conditions, and to the best of the knowledge which we can obtain in hydraulic work.

Q. What amount of knowledge did you have when in February, 1909, it was decided to build a concrete dam? A. The knowledge was the plan and the information brought in by the engineers.

Q. That is the best knowledge you happened to have and not the best you could have got? A. Yes, and I know we could never arrive at the exact knowledge of what could be done until the construction was made.

Q. You go on to say: "The plans therefore do not show the actual quantities in excavation and material which will be required in the foundation." You are talking about wood there. Then you continue: "And are open for large claims for extras over and above the lump sum tendered, and for which reason the estimate on unit prices was prepared." Now you contemplated you were going to have large claims for extras even with the wooden dam? A. I did not contemplate it but it

might be possible. I was not speaking only of that one work there. It is our experience in connection with all hydraulic work that we are liable to have these claims and that is why we preferred unit prices, because if the quantities are increased, it is fair to the contractor that he should be paid for these quantities, and if they are decreased it is fair to the Department we should not pay for them.

Q. Quite so, and that is as plain as the nose on a man's face, but if I were to say with regard to the Ottawa River, the dam would cost so much, probably my estimate would be too large for it because I know nothing about it, but if an engineer were to say it, it ought to reduce the liability for extras very much, because he ought to know a good deal about it. There is always a risk of extras, but that risk could be reduced by correct knowledge to a minimum. Now, I want to get at this: whether to-day you believe; I will put it the other way: whether at that time you believed that you had that degree of correct knowlege which competent engineers could get and ought to get before they entered on the construction of a large work, and the making of an estimate? A. At that time do you mean?

Q. At the time the Department decided to use concrete instead of wood. Do you then believe that you had that degree of accurate knowledge which competent engineers could get and ought to get before they estimate the cost of hydraulic work? A. Well, evidently I did not because we ordered further investigations.

Q. And the fact is proved that you did not? A. Yes, even with two or three years' experience at the Timiskaming I cannot say what it will cost because there are unforeseen things that may still be coming. We believe we have all the knowledge necessary, but, as we go along, things turn out differently from what we expect.

Q. But there are precautions which can, and ought to be taken, in every case? A. Yes, and I am not sure we will not have more accidents there although we have the best men possible.

Q. Now, with your experience of public work scattered all over Canada, is it not clear that these public works are started upon without that degree of accurate knowledge, as to the cost which is likely to be incurred and which a competent engineer could get and ought to get? A. I will tell you that I have lately advocated a Board of engineers to whom all the contracts could be submitted or which could be referred to them.

Q. Your experience leads you to think that that is necessary? A. I believe that it is an absolute necessity. We are going into larger work all the time and our work has increased so much that the Chief Engineer's Branch has had no time sometimes to look into all the details. We had to trust to resident engineers here and there and it is a necessity that we should have a body that would look to the details and study every harbour and river work. Might I add that I believe that even with that board of engineers, it would not eliminate all the difficulties and the accidents which may happen. You have the Panama Canal as an example of that. There is no work in the world where such extensive studies have been made in years past by the French and by the Americans, and the Americans have taken that work after the large experience that the French had with it, and they estimated it would cost two hundred million dollars, and it has now increased to three hundred and seventy-five million dollars on account of unforeseen difficulties and excavations and hydraulic work. It turned out very differently from what they expected, and they had board upon board to study these questions.

Q. I notice that on January 16, 1909, you refer to this clerical error and you go on to point out how impossible it is to determine the true profile of the river, and you add: "that the dam should be built of concrete." Now, had you at that time talked to the Deputy Minister and the Minister about concrete instead of wood? A. Not to the Minister probably. I must have talked with the Deputy and the Engineer about the advisability of building it with concrete.

Q. You do not know whether you talked to the Minister? A. No. We refer a thing to the Minister only after discussion and for his final approval.

Q. The tenders were put in on the 18th of November, 1908, and there is an endorsement on the back of the tender of Kirby & Stewart: "award contract W.P."; that would be the initials of the Minister? A. Yes, that would be the initials of the Honourable Mr. Pugsley.

Q. The date of the tender itself is the 19th November, but the date of the initials is not there? A. It must have been a few days after that he put his initials on.

By Mr. Lake:

Q. Who opens the tenders? A. The Deputy Minister and the Secretary usually, there are always two.

By the Chairman.

Q. On the 21st November there was a schedule of tenders received prepared, and that schedule would go before the Minister, and the tenders themselves would go before the Minister? A. Yes, with the whole file of tenders.

Q. There was a report to Council prepared dated November 23rd. Now, in a letter dated December 29, 1910, the contractors, Kirby & Stewart, say they were told in November the tender would be awarded to them; do you know who told them? A. I remember at the time there was a deputation pressing for the commencement of these works, and the Department, anticipating I think the granting of the Order in Council told the contractors to go ahead with the work because they wanted to profit by the winter road to get their timber.

Q. As a matter of fact the contractors were not getting the timber out themselves; they were contracting with other people for it? A. Well, they would give orders to the lumbermen to get their timber out.

Q. But it would not be necessary that orders should be given in the fall; orders could be given at any time during the winter? A. Yes, but that was in November, they wanted to get their timber out that winter and have it cut, and so on.

Q. I find that Council did not sanction the contract until January 18th? A. Well, they must have been told to go ahead after that.

Q. They say they were told in November that their tender would be accepted and the Minister had, in November, decided to accept it? A. Well, I would not know anything about that. The Minister may have told them but I did not know.

Q. You did not tell them anything? A. No.

Q. As a matter of fact, if they were told in November, that would be two months before Council had sanctioned the contract? A. Yes, it was practically two months.

Q. Is it the practice in your Department for a Minister to authorize work to begin before Council approves of contracts? A. I do not understand that he did authorize them to begin work then; they were told they would have the contract.

Q. You say they were told that in order that they may enter into arrangements about timber? A. After the passing of the Order in Council, I mean, I know as a fact they were told to go ahead by the Deputy Minister.

Q. You don't know anything about their being told in November? A. Oh, no.

Q. You don't know if they did enter into any contracts in November? A. I don't know anything about it; I don't think they did.

By Mr. Lake:

Q. Would they naturally know from the fact that the money was being returned to the other tenderers? A. They would naturally know that way. Being the lowest tenderers, very often the Minister would take upon himself to let them know that they were the lowest tenderers, and that the matter would go to Council in due course and if approved by Council they would get it.

By the Chairman:

Q. Is the intention of letting them know that, in order that they might commence work, or, enter into engagements before the Council approved? A. It is not the intention of the Department that they should do it; they are simply advised they are the lowest tenderers.

Q. And Council has the right to accept the lowest or any tender? A. Yes.

Q. And sometimes Council does not accept the lowest tender, I suppose? A. To my knowledge practically they have always accepted the lowest tenders, but not always, and they always have the right to reject. Oh, yes, there may be some reason for doing that.

Q. After it had been decided in your Department that concrete was preferable, mention of that intention was made to the Auditor General? A. Yes, these discussions with the Auditor General were not carried on through me.

Q. But I am speaking of your knowledge as to the facts because you afterwards had some correspondence about it? A. Yes, some letters of the Auditor General were referred to me.

Q. Do you know from that letter that the Auditor General was told of the intention to build of concrete and also of the intention to give the contract to Kirby & Stewart without new tenders? A. Yes, sir.

Q. And that objection by the Auditor General was referred to you for criticism and you prepared a memorandum arguing in favour of not having new tenders but of giving the contract to Kirby & Stewart, and I find you say this:

> "Apart from the moral obligation in which the Government is placed to make no further delays in commencing this work, in order to keep fair with power users, &c., it seems that the Government, as the mater now stands, cannot ignore the fact that the lowest tenderers are entitled to first consideration under altered conditions, so long as these conditions are covered by the tenders."

That was the argument you used. What do you mean by "as the matter now stands." You say "It seems that the Government, as the matter now stands, cannot ignore the claims of the tenderer." What was the matter to which you referred? Had they, so far as you knew at that time, entered into any obligation to anybody? A. That is what I was given to understand.

Q. What were you given to understand? A. Because the Department through the Deputy, authorized by the Minister, told them to go ahead when the Order in Council was passed.

Q. You mean to say that between the date of the Order in Council, which was only adopted on January 18th, and February 3rd, these contractors went ahead and did something? A. No, I don't mean to say they did something but they were told to go ahead.

Q. How do you know they were told to go ahead after the Council acted; did you tell them to go ahead? A. No I did not tell them to go ahead, the Deputy Minister did.

Q. You know he did? A. Yes.

Q. You know that after the Order in Council he told them to go ahead? A. It must be that, because he would not do it before the Order in Council was passed, I am sure.

Q. Are you sure, or are you just thinking that he would not? A. I am sure that he would not.

Q. That is your opinion? A. I am quite sure about it.

Q. Are you prepared to take your oath that he did not tell them to go ahead before the Order in Council was adopted? A. That is a hard question.

Q. As a matter of fact do you know anything about that? A. Yes, I know my recollection and my impression that is left to me that as soon as the Order in Council

was passed they were told by the Deputy to go ahead, on pressure brought by the lumbermen, that the work was pressing.

Q. That is your recollection? A. Yes.

Q. And you don't think they were told before the Order in Council was passed? A. I do not think so.

Q. And you do not think that between November, when they say they were told, that the contract would be given to them, and the January 18th, when the Order in Council was passed, that they had assumed any obligation? A. I do not know that they did.

Q. Then, when you speak in your letter here, of the obligation to them, you knew nothing beyond the fact that they had been told a few days before to go ahead? A. Well, I take it as a question of honour, that having been told to go ahead with the contract; I take it as a question of honour with the Department to treat them well.

Q. Did you know as a fact that they had gone ahead and done something? A. I was told that they had given some orders; I do not know as a fact because I did not see any documents.

Q. Who told you that? A. I was told I believe by the Engineer.

Q. What engineer? A. Mr. Coutlee, probably.

Q. Mr. Coutlee told you they had gone ahead? A. I would not name him as a fact that it was him who told me, somebody told me, it may have been Mr. Coutlee.

Q. It may have been Mr. Coutlee and it may have been somebody else; have you any reason for believing that it was Mr. Coutlee? A. It might have been the contractors themselves too.

Q. You don't know who it was? A. Not exactly.

Q. Were you told when they had gone ahead? A. I could not say.

Q. Suppose it turned out that their action, whatever it was, took place before the Order in Council was passed, by somebody in the Department telling them to go ahead, would you still consider that the honour of the Government created an obligation to give them that contract? A. No, I based my recommendation on the fact that when the contract was given to them by Order in Council, and when we told them to go ahead before the contract was signed, that we were bound in honour to give them due and fair consideration after the changes were made.

Q. Provided they had gone ahead and incurred obligations? A. Yes.

Q. Or expenditures of their own, on the faith of that statement? That would put more weight to the obligation of the Department by the fact of telling them to go ahead.

Q. You mean to say that the mere fact of telling them to go ahead, whether they went ahead or not, created an obligation? A. Yes, I consider it a point of honour to give them consideration.

Q. Then you go on to say in the memorandum: "So long as these conditions are covered by the tenders." Now, the condition of building a concrete dam had not been covered by the tender had it? A. There was a price asked for concrete.

Q. How many yards? A. The yardage is not mentioned in the tender. I think it is memtioned in the schedule of prices.

Q. $8.50 per yard is mentioned? A. Yes.

Q. But in the tender, as submitted, that really referred to extra work did it not? A. It did refer to extra work or changes that they might make. We asked a price for concrete that is all.

Q. You had a price for concrete, but that price for concrete had been quoted, and as far as anybody knew at that time, it was intended to apply to the small amount of concrete which would be put in the wooden dam at the head of the island? A. I cannot say.

Q. I want to read you what the contractors themselves say on that matter, later on, to see if you contradict it? A. I do not know any of these details.

Q. You must know, as a matter of fact? A. No, I did not go into the details of the construction.

Q. But I am asking you this, when they quoted $8.50, the idea was that a wooden dam was to be built? A. Yes, that was in connection with the tenders for the wooden dam.

Q. Do not the prices and the lump sum taken together, show that the main construction of the dam was to be of wood? A. Oh yes.

Q. Does it not show that the amount of concrete was to be very small? A. I do not think there is any amount of concrete stated in the Engineer's estimates in connection with the wooden dam.

Q. Not in that estimate but you will find an estimate in which it was quoted; one of the tenders was from Mr. E. J. Rainboth of this city? A. Yes.

Q. In his schedule, he not only gave you unit prices, but he put in quantities? A. He put his own quantities.

Q. He was an engineer? A. Yes.

Q. And he would be making these quantities from the plans which had been made for the wooden dam? A. Well, there is no concrete on the plan.

Q. There is some in the specifications? A. I do not think so.

Q. How did you come to ask for unit prices if it was not shown? A. We often cover other contingencies in case we might need to put in concrete.

Q. Do you mean to say that when you were asking for prices for concrete for the wooden dam, you neither showed the concrete on the plan nor in the specifications? A. I do not think there is any concrete shown there.

Q. Mr. Rainboth, as engineer, in quoting two hundred yards, would have no foundation whatever on which to base that amount? A. No, there is nothing shown on the plan to my recollection.

Q. Nor in the specifications? A. Not to my recollection.

Q. And you would have to guess at the amount? A. I do not know; he might have thought in putting concrete to level off the bottom of the river where rock was shown that his cribwork would have a better setting, and he would have allowed for that probably. Of course these are contractors methods.

Q. I find that Lumsden put in a tender referring to the quantity as one thousand yards? A. Yes.

Q. And I find that Conroy and Kirby & Stewart did not mention the quantity, but I want to ask you this: You said that a comparison of the unit prices with the quantities showed that these parties in making up their bulk tender, had applied these prices to the quantities? A. Yes, to their own quantities.

Q. Bearing that in mind, don't the bulk prices show that all of them had figured on a very small amount of concrete? A. They did.

Q. The original plan contemplated a very small amount of concrete? A. They did figure on a small amount according to their figures there, but I am firm in saying that according to my recollection, there was no concrete shown on the plan and no concrete mentioned in the specifications.

Q. But the original plan, whether it may show that or not, contemplated only a very small amount of concrete? A. These are figures put in by the tenderers.

Q. I will put it another way—when the Department prepared the plans and asked for tenders for a wooden dam it was intended for only a small amount of concrete? A. I cannot say if only a small amount of concrete was intended, because there was none shown on the plan. Only the Engineer could answer that.

Q. Then you mean to say that when considering the price that had been quoted for concrete, and in deciding whether you should call for new tenders or not, did you not know whether the various tenderers had contemplated much concrete or little? A. We had the figures.

Q. I am asking this: You say that you don't know whether the Department had much concrete or little in its mind when it asked for these tenders? A. As far as we are concerned in the Department, I say there is no concrete shown on the plan.

Q. You have said that over and over again, and I ask you whether the Department in preparing the plans for the wooden dam contemplated whether there should be much concrete or little concrete, and you said you did not know? A. I know that for the concrete for the wooden dam there was no contemplation of a large amount of concrete.

Q. Why didn't you say that and save time—then the unit price quoted in the tender was in the contemplation of the contractors and the Department for a small amount of concrete? A. For the possibility of concrete being put in the work, for a small amount of concrete, there is no doubt about that. That is my impression, but I cannot say what was the intention of the Engineer.

Q. I am talking about the contemplation of the Department in building that wooden dam; now we will get down to what the contractors say. Here is what Kirby & Stewart say on December 29, 1910:

> "The concrete called for under the original plan was very insignificant in amount, and would not have required any forms, whereas, in the changed plan moulds had to be made for the piers and abutments, the expense for which was entirely unforseen when the contract was signed, and the placing of concrete in moulds, in piers twenty-five feet in height cost a great deal more than was estimated for the concrete work called for in the original specifications."

A. I do not know what they mean by the concrete called for in the orignial plan, because if there is any shown it escaped my attention entirely.

Q. I think you can understand it if you try hard—he says the concrete called for in the original plan. It may be that the actual plan or drawing did not call for it, but he is using the word plan in that relation, not as applicable to the drawing but in relation to the Department's conception of the amount of concrete it was going to put there and he pointed out that the amount of concrete was very insignificant and much less costly than it would be in the kind of work in a concrete dam? A. That would be right.

Q. Then, the amount of concrete work which was undertaken in the concrete dam, would be necessarily much more expensive than the small amount of concrete which would be needed in the wooden dam? A. Well, it would because I can judge that for a small amount of concrete like that it would be less expensive.

Q. Now we will come back to your memo.—I will ask you again, if the conditions surrounding the construction of a concrete dam were covered by the original tenders in your opinion. Did the original tenders cover the conditions which necessarily surround the building of a concrete dam instead of a wooden dam. A. No sir.

Q. They did not? A. No.

Q. Now, Kirby & Stewart are contractors whose head office is here in Ottawa? A. Yes sir.

Q. Have they ever been contractors for the Department of Public Works for other work? A. As to Kirby & Stewart I do not recollect them being contractors. I recollect Kirby furnishing some stone on contract price, I think for the Laurier bridge, of which I was in charge; he supplied some stone there for pavements.

Q. Then as contractors, as a partnership, this was the first work they had entered into with the Department? A. That is my impression.

Q. At the same time did they enter into other contracts for the Kippewa Dam? A. I think they tendered but they were not the lowest.

Q. You mentioned that Mr. Kirby was a contractor—had Mr. Stewart himself, or in connection with anybody else ever been a contractor with the Department? A. I know that Mr. Stewart is a contractor for dredging.

Q. He would be a contractor in connection with your Department for dredging? A. Yes, since that time. I did not know him at the time. I did not know which Mr. Stewart it was at the time.

Q. Was he not one of these parties that was connected with dredging contracts at St. John, New Brunswick? A. Yes, he is the same man that has got a contract under the name of the Dominion Dredging Company. They have contracts for dredging down at St. John, New Brunswick.

Q. And they have contracts for dredging somewhere else too? A. They are finishing at St. John and they have done some work at Quebec and in Nova Scotia.

Q. Were they not doing work at St. John, New Brunswick about the time of this Timiskaming contract, when some dispute arose about what is known as the McAvity contract at St. John? A. I cannot say if it was about that time.

Q. Do you remember the McAvity incident at St. John? A. Yes.

Q. And the McAvity's firm was getting some contracts there? A. It must not have been the same time. I cannot say because it did not come particularly under my notice.

Q. Mr. Coutlee has been, since you started on the concrete, and is, up to the present time the Engineer in charge of the work? A. Yes.

Q. He would necessarily be sometimes in Ottawa and sometimes on the work? A. Oh yes, he would go very often on the work.

Q. Then there would be an engineer in charge of the work directly? A. Yes, he stayed on the work all the time.

Q. What is his name? A. Mr. Donnelly.

By Mr. Lake:

Q. We have not got the advertisement here or the plans or specifications and we have no idea from these papers as to the procedure usually followed by the Department. I would like to know something of that procedure. When a work is decided on, plans and specifications are first drawn up, is that the case? A. Yes, then the appropriation is voted in Parliament. When it is sanctioned the engineers are asked by the Chief Engineer to prepare contract plans and specifications, after the Chief Engineer has prepared a list of all the appropriations and stated that his work is to be done by day labour, if it is repairs or small work or of such a nature, that the work should be done by day labour. Then it goes on the list of contracts as day labour. It is approved generally by the Minister. Then the Chief Engineer sends instructions to all the Engineers giving a list of all the contract work for which they have to prepare contract plans and specifications. These contract plans are prepared at the different Resident Engineers' offices, Halifax, St. John, Quebec and so on, and they are sent to the Chief Engineer, and if he approves of them the typewritten copy of the specification is forwarded to the Deputy Minister of the Department. Then the plans are transferred by the Chief Engineer to the Chief Draughtsman for comparison with the specifications as to whether there are any mistakes, and a number of plans are printed while the specifications are sent to the Printing Bureau to be printed. These come back and the Deputy Minister gives an order to prepare a list of papers for advertising when everything is ready and this list of slips for advertising is sent to all the papers and they advertise it. We generally give from three to four weeks for tenderers to go on the ground and visit the work. Then the tenders are received.

Q. Before that, I presume, the advertisement is read by the would be contractor, but it simply tells him that plans and specifications are to be obtained at the Department? A. It says that the plans can be seen at the Department of Public Works and Resident Engineers' offices where they have been prepared, and if there is no Resident Engineers' office there, they are to be seen at the post office of the locality, where the work is to be done.

Q. He does not get a copy of the plans and specifications? A. No, except in special cases. When a contractor is in a hurry and wants to go away, the Minister would permit that a plan be given him on which he could calculate the quantities.

Q. Then, the man who is intending to tender, would go to the Department of Public Works and see the plans and specifications in the office? A. Yes, they all come to the office or wherever they are exhibited; we exhibit in three or four places.

Q. If the details are not clear to him, is he allowed to ask questions? A. Yes, the Chief Draughtsman is there to answer all the questions, and if the Chief Draughtsman cannot answer, well the matter is referred to the Engineer who has prepared the plans, for the information that is not very clear.

Q. This information is given by the Chief Draughtsman and at various times as the tenderers happen to come in? A. Yes.

Q. And he may give information to one man quite in excess of what he may give to another? A. Well, he simply answers what they ask. In his information he would give, for instance, asking about the meaning of such a clause, and the meaning of such a detail on the plan.

Q. Is it possible that in connection with this work that any one of the contractors may have asked the Chief Draughtsman whether it was intended that the awarding of the contract be with reference to a bulk sum contract? A. It may have been possible that some contractor asked that.

Q. And that he might have told one of them, who happened to ask that question, no, it will be based on the unit idea? A. It may have been possible if he was asked that question.

By the Chairman:

Q. At least the method is open to that possibility, the answer being given verbally and not in writing? A. Yes.

By Mr. Lake:

Q. One tenderer would have known that you were going to decide this question on the basis of a unit tender, while another would have believed that it would be decided on a bulk tender? A. Yes, but whether that would make a difference in his tender I cannot say.

Q. Now, if I am tendering for a work, on a bulk sum, would I not put in a considerable sum in excess for unforeseen expenses; would I not put that in to a greater extent than if I was going to be paid as I went along? A. If he tendered on a bulk sum, he puts in a certain percentage to cover contingencies. If he calculates on unit prices, the percentage is generally covered by unit prices. He can increase his unit prices so as to cover certain contingencies for each class of work.

By the Chairman:

Q. But the contingencies in unit prices wherever they are specified would be very much less than the contingencies in the bulk price? A. I do not think so because in the bulk price he had to cover the same contingencies, the same unforseen difficulties, the same cost for his staff and supervision.

Q. No, because when you are following along a work which happens to be more than was first thought, and you have a unit price for it, the quantity of the work is not a contingency because it is provided in the unit price and the more the work the better for him, but in a bulk price it may not be so? A. In both cases he had to cover the same contingencies whether he had a bulk sum or a unit.

By Mr. Lake:

Q. The contractor in this case may have it in his mind that some accident might occur in the course of construction on the work, and which, in fact, did occur. In

making a tender for a bulk sum, would he not provide for that contingency? A. They do provide to a certain extent but they take mighty risks sometimes.

Q. On the other hand the contractor who was merely contracting at unit prices need not take that risk into account at all? If part of the works were carried away he would simply go on replacing them, and be paid at the same price for replacing? A. If it was auxiliary work required in the main work the unit prices would not cover that. For instance, if he is obliged to build up staging to carry on his work he has got to cover that in his unit price just the same as tendering in a bulk sum. The staging would not be paid under the unit price. The auxiliary or necessary work to carry on his operations are not covered by the unit price. The unit price includes only the quantities in the work itself. If they do staging or piling to enable them to carry on their work, they are not paid for that, except in so far as it is included in the unit price or in the bulk sum. We do not pay separately for that.

Q. Then, under the heading, you include the unwatering? A. Yes, unless there was an item for unwatering.

Q. Then finally, you have no certainty that one contractor does not get better information than another in connection with the same specifications? A. They all get the same information.

Q. Then, when the advertisement calls for a tender for a bulk sum, one may get better information by saying: Are you sure this is for a bulk sum, is it not possible that it was intended for a unit sum, one man may get better information by saying: are you sure this is for a bulk sum, is it not possible that it was intended for a unit.

The CHAIRMAN.—The witness can very well swear to that because it is an obvious infirmity of the situation. If you gave written information, everybody would get the information alike, but if you are relying on verbal information, it is possible that everybody would get different information. The witness does not know anything more about that than we do and we know it is an infirmity attached to verbal information.

By the Chairman:

Q. We have just been talking about the price for concrete in connection with the small amount needed in the wooden dam and I just read to you what the contractors Kirby & Stewart said about the actual value of concrete work. Now, when they were asked whether they would enter into a contract for the dam, did they raise any objections to your knowledge concerning the cost of concrete per yard? A. Not to my knowledge, sir.

Q. They made no objection, so far as you know, to going on with the new dam at the price for the concrete? A. No.

Q. On December 29 the contractors say this: "The work contemplated when the tenders were called for was completely and entirely changed in character and location." A. What they mean there is that later on——

Q. When they signed their contract I suppose? A. No, he means to say that there was, as a matter of fact, an entire change in the character and location of the dam, between the time that the first tenders were called for and when the dam was being built, and that is so. That is a fact.

Q. Is that a fact. They also say in the same letter: "The proportion of excavation to the whole work has been enormously increased, partly owing to the greater depth of the water and partly owing to the much more expensive foundation required for the construction of a concrete dam of the character called for in the amended specification." They say there was a greater depth of water in the changed location, is that a fact? A. I cannot say without comparing the plans. The Engineer will be able to say so.

Q. The location, which was originally at the head of the island, was changed down the stream to be about the middle of the island? A. Yes.

Q. And, by the way, on the plan it is shown as crossing the island, have you ever seen the work yourself? A. I have been there once and have seen the island and the embankment itself.

Q. Is that of concrete? A. No, just filling.

Q. The island is never flooded with water? A. I don't think so.

Q. They say: "The much more expensive foundation required for the construction of the concrete dam" what do you understand by that? A. Well, they found that instead of hard material they had to deal with sand and they had to go deeper than anticipated.

Q. Pardon me, that is not what he speaks of; he is speaking of the more expensive foundation required for the construction of the concrete dam, in the very nature of such a dam. He goes on afterwards to speak of the condition? A. The deeper they go, it would be the more expensive for concrete than for wood.

Q. And further, if you were laying down a small amount of concrete in connection with a wooden dam you would not have the great quantity of unwatering work in that dam that you would have in a concrete dam? A. I don't think the Engineer expected to go very deep in the first wooden project.

Q. And the contractors say: "In addition to the actual excavation required, we have been called upon to remove a large amount of material from the western channel for the purpose of improving the waterway, apart altogether from the construction of the dam."—What difference would it make in that relation, whether the amount were large or not, if they were getting a unit price, what do they mean by that? A. There was part of the channel on the Ontario side that they had to excavate apart from the dam itself, in order to have the water as at low water there and relieve the other channel of the heavy current. There was shown on the plan a channel to be excavated by them there.

Q. And they say further: "No indication was given of hard pan where boulders were indicated to exist, and the prices were fixed for boulders and not for hard pan." A. Well the Engineer has always reported that it was not hard pan there. He did not find hard pan.

Q. Was it found there as a fact? A. I do not think it was found there, as a fact. Mr. Coutlee will confirm that.

Q. And so far as you know that cause of complaint did not exist? A. They did not find any hard pan.

Q. On February 3, replying to the Auditor General's argument, you say you agree that were it not for special considerations such as the urgent need of commencing the work without delay, new tenders would be asked for—Now, what work that could be commenced without delay could be undertaken at that time of the year on the concrete dam. You are urging that without waiting for new tenders the contract shall be given to Kirby & Stewart. What could Kirby & Stewart do at that season of the year which made it urgent to go on with the work without asking for tenders? A. They could go on at once excavating on the Ontario side which is dry at low water. The low water lasts until April and we have high water then and we have a period of several months in which the work could not be touched.

Q. Now did they go to work at once? A. I cannot say.

Q. Don't you know that they did not go to work until June? A. They delayed, I know they delayed.

Q. They did not go to work, as a fact, until the following June? A. I am not positive as to whether they did any excavation or not, but I was in good faith.

Q. I am not questioning your good faith—I am asking you now, before they actually went to work there was abundant time to get new tenders? A. Yes, as it turned out.

Q. On December 22, 1908, you had written the following to J. R. Booth, Esq., Ottawa:

"It is an utter impossibility now to have the dam built this winter and the contractor will not take the risk of commencing the actual work of construction." A. The actual work of construction meant the dam itself, but there was lots of excavation that might have been made.

Q. Did the contractors Kirby & Stewart agree that they would do any work that winter? A. I cannot say whether they did or not.

Q. Do you know if they agreed to do anything? Did they say they would? A. Not to me.

Q. Or to anybody else as far as you know? A. Not so far as I know.

Q. As a matter of fact, in February, you had decided that new tests had to be made and new plans and specifications, and you ordered them to be made? A. Yes, I was under the impression that it would not take very long at the time.

Q. But you soon found out that they would have to make new tests, because you had looked at the plan of Mr. Perreault and you had seen that the bottom was not indicated with certainty and you knew that would have to be examined into? A. Oh yes, for a concrete dam it was wise to do so.

Q. Now, sometime or another you expected you would be in possession of further information and of plans and of specifications? A. Yes.

Q. And you expected that to be pretty soon? A. Yes.

Q. Then, why could you not have waited until that work was done and then got your new tenders? A. I did not expect such difficulties to turn out as did turn out and then the lumbermen had been pressing the Department to go ahead with the work for a long time, and it had been dragging, and in good faith I tried to hurry up the work as best I could.

Q. And you say that something may have been done in excavating the channel? A. Excavating the site of the dam.

Q. And nothing could have been done in the way of cofferdamming or actual construction until after the spring freshets? A. That was my opinion although the lumbermen said there was time.

Q. In December they said so, but I am talking about February. You knew that the actual work of construction and cofferdamming could not be done until after the spring freshets were over? A. Certainly that was my opinion that nothing practical could be done.

Q. So that when it was decided to go on without asking for new tenders it was apparent that outside of a certain amount of excavation, nothing could be done until the water went down next summer? A. I would not put it that nothing could be done. Preparatory work could be done.

Q. What kind? A. In the way of commencing excavation.

Q. I said that with the exception of excavation nothing could be done until the water had run off? A. No.

Q. Now, when you were speaking a moment ago, about this moral obligation to the contractors, outside of the fact that they had been told that the contract would be given to them, did you know that they had entered into any financial obligations for the work? A. That was my impression but I did not know it positively.

Q. Did you find out positively? A. No, I did not, I do not think I tried to go into their financial arrangements.

Q. When you were contending by argument with the Auditor General against calling for new tenders you did not know of any financial obligation by the contractors? A. Well, I did not know positively. But I was firmly of the impression that they had given orders for some materials.

Q. Some timber? A. Some timber.

Q. They say so themselves; Could not that timber have been taken off their hands and paid for? A. It could certainly.

Q. It would have to be used by anybody who built the dam? A. Yes.

Q. And if the Government assumed it and paid them for it, any new tenderer who built that dam could have taken it and used it? A. Yes, it could have been used.

Q. Consequently, the moral obligation, so far as it depended on their financial obligations could have been met by simply assuming these obligations? A. Yes.

Q. So far as it was based on the financial obligations they had undertaken, it could have been met by assuming these financial obligations? A. It could have certainly. There might have been some trouble in settling with them.

Q. Was the opinion of the Department of Justice asked at that time, so far as you know, concerning the validity of the objection of the Auditor General? A. Not that I know of.

Q. You knew that the Auditor General was objecting. In his letter he says:

> "It is fair to assume that the items and figures are tendered for extra work. To get a more permanent structure it is now proposed to change the plan from timber to concrete, thus eliminating much of the timber and increasing the concrete three-fourths. If the question of the public interest to speedy completion is not raised I do not think the proposed precedent is a safe one to establish when the specification has been so radically altered."

Refering to the timber which might have been ordered, he says:

> "The timber part of the work could proceed at once while plans and tenders are preparing for the concrete dam, to be let on a second contract to builders of experience in that line who would take the timber as supplied to them and have it put into their own structure."

You say that so far as you know, the opinion of the Department of Justice was not asked at that time? A. So far as I know I do not remember anything about that.

Q. About two years later, upon the decision having been reached to pay the extra sum to Kirby & Stewart, and the Auditor General objecting to that, the Deputy Minister of Justice was asked for his opinion? A. Yes, by the Deputy Minister of Public Works.

Q. Now, I find that your letter of February 3, to the Deputy Minister, covered by a memorandum from the Deputy Minister to the Minister, dated February 4, was considered, and that the Deputy Minister's memorandum is marked "approved W. P." meaning the Minister, Mr. Pugsley? A. Yes.

Q. And that the recommendation to Council dated February 11th, was ordered to be prepared. In the memorandum from the Deputy Minister to the Minister, reference is made to the objection of the Auditor General and it is overruled by the Minister's approval. On the 11th March the Committee of Council acted on the memorandum from the Minister dated 20th February and approved of the construction being of concrete; you remember that memorandum of 20th February? A. I remember that memorandum about the concrete dam, yes.

Q. Did you take part in the preparation of it? A. I think it was based on some of my memorandums.

Q. Do you remember seeing it before it went over to the Council? A. I am not sure, I must have seen it but I am not sure.

Q. I observe that in that memorandum no mention is made of the fact that the Auditor General had objected to the legality of the whole transaction? A. To change to concrete instead of the other.

Q. Yes, no mention had been made of the Auditor General's objection, or of the discussion between you and the Deputy Minister and the Auditor General? A. The Auditor General objected to the contract being given without calling for new tenders.

Q. In the memorandum to Council that is not mentioned as a fact? A. I suppose not.

Q. Can you give me any reason why Council was not informed of this written objection by the Auditor General? A. I cannot say.

Q. The Council would not be in possession of all the information about the matter unless it was informed in the memorandum or by the Minister? A. Well sometimes the memorandum of the Engineer or my own memorandums are attached. I cannot say if they were attached in this case.

Q. In case of attachment I suppose the memorandum would refer to certain documents as being attached? A. Yes.

Q. There is no memorandum of that kind here and therefore Council would not know of that objection except it heard it verbally through the Minister? A. That would be the only source.

Q. In that memorandum dated February 20th the Minister uses these words, referring to the four tenders received for the wooden dam:

> "The tenders above mentioned, in addition to bulk sum prices give the unit prices for each class of material, including cement, and applying these prices to the approximate quantity of material in the work, the amount of various tenders for the construction of the dam of concrete, would be as follows."

I want to draw your atention to the peculiar wording of that; he says:

> "The amount of the various tenders for the construction of the dam of concrete."

There had been no tenders for the construction of the dam of concrete? A. There had been no plan at the time, only the quantities obtained from the Engineer.

Q. I am taking these words because they may be misleading, on February 20th, and afterwards there were no tenders for the construction of the dam of concrete, were there? A There were not at the time.

Q. Was there ever any such tender? A. Only for the concrete included in the first tender.

Q. Then the Minister's memorandum uses this expression: "Messrs. Kirby & Stewart's still remaining the lowest tender on the altered condition."—Your last answer applies to that: there was no tenders on the altered conditions? A. Altered conditions" mean there the change from wood to concrete.

Q. There were no tenders on the altered conditions ? A. There were no tenders on the altered conditions.

Q. There were tenders in which a unit price had been mentioned for some cement and that might be applied by the Minister to a greater quantity of concrete, but no tenders were ever received for such. A. No tender was ever received.

Q. And therefore this language might create a wrong impression ? A. I do not know. The cribwork was simply replaced by concrete and calculated at their own price.

Q. Now we come to another question—in the unit prices given in the four tenders received there is a very great uncertainty in the matter of unwatering. That phrase unwatering has been assumed all along to cover cofferdamming? A. Cofferdamming and pumping.

Q. And included within the word "unwatering."? A. Yes.

Q. Both would be necessary to unwater the stream? A. Yes.

Q. I find, for instance, that Kirby & Stewart put a bulk sum, it is called in the schedule, of $4,000? A. As a unit.

Q. They call it bulk? A. Yes.

Q. Conroy & Conroy put $20,000. Rainboth puts $15,000 and Lumsden puts $54,994. Now, I furthermore find this in your letter dated February 9:

> "Moreover a great factor in the cost of concrete in the case of dams is the cost of coffer damming required, which in a difficult location may raise the price of concrete to much higher figures than those given. Coffer dams will be required at Timiskaming, and unforeseen difficulties in unwatering may be

encountered. Therefore, I have no hesitation to state that $8.50 per cubic yard "is fair and reasonable."

Now in using that language your are assuming that $8.50 per cubic yard would cover the cost of coffer damming and unwatering? A. Would cover the cost of unwatering and coffer damming within the view I had at the time of the difficulties that might be encountered, but these difficulties have gone much beyond our expectations. I must be frank about that.

Q. Now, $8.50 quoted by Kirby & Stewart, per cubic yard, at that time did not cover the cost of coffer damming it? A. It turned out it did not.

Q. Now I find that the Minister in that memorandum of Februray 20th, uses this language—I confess I don't understand it myself but perhaps he did—after speaking of the change to concrete in order to give a permanent character and reduce the cost of annual maintainance of the dam, he said:

"Moreover a great factor in the cost of concrete in the case of dams is the cost of coffer damming required, which in difficult location may raise the price of concrete to much higher figures than those given. Coffer damming will be required at Timiskaming, and unforeseen difficulties in unwatering may be encountered."

He practically uses your own language there. Then he goes on to say:—that applying $8.50 per cubic yard to the quantities of concrete that were estimated at that time Kirby & Stewart's would be $108,050 and advises the acceptance of the tender. Now, does not that imply that the cost of unwatering, including coffer damming and unwatering, would be included in the $8.50 that was to be paid to Kirby & Stewart? A. That was implied at the time plus their $4,000.

Q. Will you kindy look at this Mr. St. Laurent,—there is a memorandum called "Original Quantities for Concrete Dam," who prepared that table? A. I did.

Q. The document entitled "Original Quantities for Concrete Dam." is made by you, and it gives a total which indicates a dam largely built of concrete, and the total of the tenders were quoted in the Ministers memo. dated February 20th. Now, when you quote the figures of other tenders, to show how much the concrete dam would cost if they built it, you put in the original amount they had suggested for unwatering? A. Yes.

Q. So that Lumsden's figures for the concrete dam amounted to more than Kirby & Stewart's, largely because Lumsden put in $55,000 for unwatering and Kirby & Stewart only put in $4,000?. A. Yes.

Q. As a matter of fact, Lumsden's figures for concrete were fifty cents a yard less than the other man? A. Yes.

Q. And it is only by adding the cost of unwatering to the cost of the concrete that you make Lumsden's higher? A. Yes, on the items mentioned there.

Q. On March 19, 1909 I find that the contractors were notified:

"Your price for concrete per yard, as stated in your tender, and the sum mentioned for unwatering is to cover coffer damming which you may require to build the dam? A. Yes.

Q. So that they were informed in writing that they were to get that much for building the dam? A. Yes, we did not want any misunderstanding.

Q. The contract with Kirby & Stewart which is signed in June, 1909, provided, in accordance with that notice, that the coffer damming was to be included? A. Yes, I do not know if that was actually put in the contract, but that is the notice we gave them, so that there would be no misunderstanding about it.

Q. You do not know that these precise words are in the contract? A. No, but I remember the letter.

Q. Have you the actual contract in your Department? A. Yes it is in the office of the law clerk.

Q. When you come back as a witness the next time I wish you would bring the contract? A. Yes.

By Mr. Lake:

And bring the plans and specifications also? A. Yes.

(The witness later produced the contract with Messrs. Kirby & Stewart, of date July 22, 1909, attached to which are the specifications. He also produced a copy of the amended concrete plans.)

By the Chairman:

Q. Going back to the time, in the early part of 1909, when you were considering the question of tenders for the concrete dam, there would be frequent conversations with Kirby & Stewart? A. Before they signed their contract, I don't think I met them more than once or twice; I never saw them very much.

Q. When in the winter time, you were getting ready for that minute, which went to Council advising that Kirby & Stewart should be given the contract for concrete, on the basis of the figure in the original tender, they must have been consulted then, I suppose? A. They used to call on the Deputy Minister, and I think I was called in once or twice.

Q. They used to call? A. Yes.

Q. The point I want to get at is this:—do you personally know whether the other tenderers were told that the Department were considering the construction of a concrete dam in place of the other, and had before them the tenders that had been put in for the old dam, and asked these others if they would like to go on and build the concrete dam? A. No sir, only the lowest tender was considered.

Q. And they were never discussed with at all? A. Not with them; their tenders being higher than the lowest they were put aside.

Q. They were never given a chance whatever to come in and say whether they would modify or not in view of the large concrete structure that was contemplated? A. No.

Q. Or communicated with in any way? A. No, of course I am speaking so far as I am personally concerned.

Q. On December 13, 1910, Mr. Coutlee made a report to you in relation to the Timiskaming dam; do you remember that? A. Yes.

Q. On that same day, Mr. Coutlee addressed the contractors a letter which is marked 'approved W. P.' He says:

> "I am instructed to say that the Department will extend the time to June 30, 1911, if your company will give an assurance that the work will be pushed during the winter by the employ of increased force, and overtime work."

You were aware of that letter? A. Yes, we were trying to get them to move and take some steps to finish.

Q. The letter of December 13, from Mr. Coutlee to you being dated the same day as that letter to Kirby & Stewart, would probably be the subject of consideration on that day? A. Well on days previous there would be discussion. I may tell you what happened in this connection. Kirby & Stewart one day, called on the Minister and I was called in and they represented to the Minister that they were losing money, that they could not carry on their work with the prices they had, and they brought up the question of increased prices on the excavation. They complained about unfair treatment in the classification of the excavation, that they should be paid more, that what they were paid for at the rate of fifty-five cents for common earth they should be paid for boulder formation, which was about $1.40. They had three prices for

excavation. They represented that they were unfairly treated by the Engineers in the classification, that they were losing money all the time, and so the Minister called me in and asked me to look into the matter. I called in Mr. Coutlee and we had several discussions together and finally reported to the Minister that nothing could be done about the classification, that they had been fairly treated, and their prices were right, and that they could not be paid any more than they had been paid for excavation. This was the result of several discussions with the Engineer, but in considering the matter the Engineer reported that there was a question of unwatering on which they had an expenditure so much in excess of their tender price for unwatering, that that was a fair matter for consideration. Then I was asked to consider the matter in equity and I obtained some reports from the Engineer at the time and a recommendation was made for consideration for the unwatering. We did not recognize their claim for further money on excavation.

Q. The matter began then in the contractor making a claim on the Minister verbally? A. Yes, they were there and I was called in.

Q. Who were there with the Minister? Were they alone then or did they have somebody with them? A. There was Mr. Kirby and Mr. Stewart, and there might be the private secretary, I cannot say.

Q. You were called in and discussed the matter? A. Yes, and the Minister referred the matter to me.

Q. Then, the letter from Mr. Coutlee to you was prepared after the discussion had taken place? A. Oh yes, the matter had been discussed.

Q. And this letter to you was a letter that was prepared in order to pave the way for the recommendation that you were going to make for coffer damming? A. Yes, we were asked in equity if they were entitled to further consideration.

Q. This is not a letter that emanated voluntarily from Mr. Coutlee to you in the course of his duties, but one that he was asked to prepare because you were considering the matter of paying them more money? A. Because the matter was brought to the attention of the Minister.

Q. That is, that they wanted more money? A. Yes, they had a claim.

Q. The letter, in other words, was prepared in order to provide a way in which to give them more money? A. I would like to be fair to Mr. Coutlee. Mr. Coutlee would not report anything that he did not want to report.

Q. I am not aspersing your motive at all at present, but the contractors having represented that they were losing money and your Department having cast around for some way you could allow them more money, agreed that in your view the equity of the thing struck unwatering and coffer damming. A. We were not casting around. The contractors had made their claim, and we considered the thing item by item.

Q. But you could not give them any more on some of the claims? A. There were some of these claims which we could not allow anything on, and there was the unwatering and the Engineer said that the cost of unwatering was going so much beyond what the contractors had expected and what the engineers had expected that there was this fair matter for consideration. Then we asked him to make a report.

Q. Quite so, Mr. Coutlee did not voluntarily, before he was invited to do so, report that they ought to have more for unwatering? A. No it was they who brought the attention of the Department to it.

Q. And you personally did not look into or report upon giving them more for unwatering until they had drawn attention to it? A. No, though I was aware they were meeting difficulties.

Q. And neither was this report provided about the watering until you had decided they had no just claim for excavating? A. No it was considered at the same time.

Q. Then Mr. Coutlee was instructed to prepare a report upon this point, and the report of December 13 was the result? A. That is the usual practice followed

when a claim is brought to the notice of the Department; the Engineer always asks a report from the Engineer in charge.

Q. But it does not appear from what you have said, that these men commenced to make a claim on the ground of unwatering; they started to make a claim on the ground of excavation? A. That was one of the items.

By Mr. Lake:

Q. They asked for the other consideration later on? A. Yes.

By the Chairman:

Q. Now then, that letter of the 13th was not immediately acted upon apparently by the Minister and was not acted on until the 4th of January, the next month? A. I cannot say what time elapsed.

Q. Anyway, before it was acted upon, there is a letter from Mr. Coutlee to Kirby & Stewart, telling them to go ahead rather than giving them any extension of time? A. An extension of time is usually granted in order that their contract may not be void.

Q. Then it was granted for that purpose. Looking then at Mr. Coutlee's letter of the 13th December, I find this statement:—

"The contractors began work in June, 1909, but only signed the contract on the 22nd July, 1909". I find in another place the statement made that they had their material bought in June, 1909, and I find in another place that it was on the 12th July, 1909, that the Engineer handed over the plans and specifications, ten days before the contract was signed. Now, who authorized the contractors to go on the work and commence operations before they had actually signed the contract? A. That was in virtue, I presume, of that general authorization they had from the Department to go ahead.

Q. Is it not a statutory provision that work shall not be begun by the contractors until the contract had been signed? A. There must be something to that effect I think, but there are exceptions.

Q. Don't you remember that there is an express statutory provision that work shall not be begun by contractors until the contract has been signed? A. I do not remember having seen it, my impression is that there must be something of that kind.

Q. Then it goes on to say: it was after the second Order in Council (that is the one which authorized the change from wood to concrete on the 18th May, 1909,) that the present location of the Timiskaming dam was adopted, and the contractors visited the site with their manager before the first of May; their plant was on the the work about the end of May; the general and detailed plans were completed in June; it will be seen from the above that a very considerable change in the plans was adopted after the second Order in Council. Now, did the change in location naturally increase, not only the amount of work which had to be done but the value and cost of the kind of work that had to be done, so that men being paid at unit prices on one location, would not be fairly paid by the same unit prices on another location? A. I don't quite understand the difference.

Q. Mr. Coutlee here is arguing in favour of some allowance to the contractors, some equitable consideration to the contractors upon the ground that after they were given the contract the location was changed, and by that change was made more expensive for them to do as well as more costly for the Department to pay for? A. Well I believe that the depth of water and the current in one of the channels must have been greater than where the dam was located before.

Q. So that the change in location would have a marked effect upon the expensiveness of the work? A. I believe so, not in all cases, but in that case anyway.

Q. Was that change in location ever brought by any memo. with which you are acquainted to the attention of the Privy Council? A. Well I think it is mentioned in some of the Orders in Council, is it not?

Q. Now, such a mention would be absolutely necessary in order to apprise the Council of the greatly increased cost of the work, would it not? A. Oh yes, such a change should be mentioned, if it was not mentioned it was an oversight, because I believe I mentioned it in some of my memos.

Q. The minute of the 24th January, 1911, in which it was proposed to assume the coffer damming of the Quebec channel from the contractors and pay them for it and a percentage of profit, appears to be the first mention in any of the memos. or minutes of Council of the change in the location? A. I cannot say as to that.

Q. You say it should have been mentioned? A. There was no reason why it should not have been mentioned.

Q. Well, this letter from Mr. Coutlee was followed up by a long account, from the historical point of view, in the form of a letter, dated the 29th December, 1910, from the contractors, Kirby & Stewart, to the Minister of Public Works. It is a long typewritten document of seventeen pages, do you remember of having seen that? A. Was it their claim.

Q. Yes; do you remember having seen that? A. Yes, I remember, the first time when they came to make their claim verbally and we started to discuss the matter, I said you should put in your claim in writing, and probably that was the outcome of it. They just had at the time a few notes, and I said you should put in your claim and state your reasons for claiming in writing.

Q. In that letter I find that the claim they put forward is:

"We respectfully request that your Department will assume the expense of unwatering and excavation yet to be done." I should gather from the tone of that and comparing it with Mr. Coutlee's letter and what you have told me, that they had been by that time apprised of the view of your Department that they were not entitled to anything more for the excavation they had done, but that they might have the sympathy of the Department in any claim for unwatering and coffer damming? A. I think they state there for extra excavation.

Q. No, they say, for any further excavation still to be done? A. They wanted a higher price for excavation than they had been getting, and after a good deal of consideration we did not think they were entitled to any more, and that their prices were fair, but the unwatering, we were convinced by the report of the engineer that that was a thing that was gone so much beyond the expectations——

Q. You told them that? A. I do not think I told them that at the time.

Q. You think they were told? A. I do not know, I did not tell them myself.

Q. The reason why I am putting that question to you is this—in their letter dated 29th, they do not wind up by asking to be paid any better price for excavation which they began with verbally, but they wind up by asking that they be paid for the coffer damming and unwatering at the cost, not the price, of the excavation still to be done. Does not that letter indicate that they had been told what the views of the Department were, and they were writing a letter to assist in that? A. Not necessarily, because they were told that these matters would be taken into consideration and they would be fairly treated. That is all they were told until the recommendation was made.

(The witness here produced a negative of the original plan prepared under Mr. Brophy for the wooden dam and in reply to the Commissioners stated that he would have proofs of it made.)

By the Chairman:

Q. On the 4th January, 1911, the Minister submitted the memo. to the Committee of the Council, and the Council acted on that memo. on the 24th of January, and it is the memo. in which the Minister recommended that the contractors were entitled to consideration on account of the greater amount of coffer damming and

unwatering required, and that therefore all the cost of coffer damming and unwatering to complete the dam across the Quebec Channel, plus fifteen per cent for incidentals, &c., should be paid to them by the Department? A. Yes actual cost plus fifteen per cent.

Q. As reasons for that memo. he refers first to the dicision to change the site of the dam and alter the plans, but that was a decision which was made before the contract which Kirby & Stewart had signed. There were no changes made after the contract was signed? A. I cannot say there was a change of location after the contract was signed; the change in location developed during the studies made by Mr. Coutlee.

Q. And the larger amount of work involved in the change was on account of a change which had taken place before the contract was signed at all? A. Yes, and after the contract was signed they found that there was much more work than they expected according to the new plan.

Q. Then I find this expression that the tenders received, based on the amended quantities and unit prices submitted—and I want to point to the peculiar language there—the tenders received were not based on the amended quantities, were they? A. Well, as to that—

Q. I am asking you what the language means; that the tenders received are based on the amended quantities and unit prices. There were no tenders received based on the amended quantities? A. No.

Q. Knowing what I do now, I can guess what might have been meant, but I am taking what the language would mean to a person who did not know the whole history of the thing. I find further expression: "The Engineer reports that the contractors have so far executed their work in a first-class manner and have shown good will to meet the changed conditions." That statement is made on January 4, 1911. Now on the 12th of the previous December, the Engineer on the work reported to the Chief Engineer that the outcome of the waste of time in 1909 was serious? A. There is no doubt that there was some time wasted for certain reasons that I do not know. We kept after them all the time and they were always willing to go ahead and to put more men and more material, and then they would bring more men there and the men would leave. They had awful trouble with labour.

Q. I find this statement made on February 24, 1911, just a few days after that memo. from the minister. This statement is made by Mr. Coutlee to yourself in a letter:—

> "Mr. Donnelly has been trying his best to direct the work at the Timiskaming, as the Department is paying for the extra coffer dam work. The contractors, Messrs. Kirby & Stewart are never on the work themselves, and never have been. Their negligence amounts to a breach of faith with the Department, as it is a critical phase of the operations, and I wish to protest emphatically."

Then I find him writing to Kirby & Stewart, the contractors: "The conditions of your contract at Timiskaming is ridiculous and amounts to a breach of faith with the department." That meant a breach of faith for what? A. For not pushing their work as desired.

Q. Now, this letter dated the 24th February, must have referred to the work which had been done, or left undone over a considerable time, did it not? A. It must have been referring to work which they had attempted to do and which was not proceeding in a satisfactory manner.

Q. But this is very strong language. It not only says there have been delays but it says it is ridiculous and he says more than that, that it amounts to a breach of faith. I do not know that I ever saw more pointed language used to contractors in my life? A. The breach of faith means that they had promised us to take all steps necessary to go ahead and get the labour and appliances.

Q. Furthermore, it says that the contractors themselves had never been upon the work? A. I do not know anything about that.

Q. Does not that mean to say that they have neglected their duty? A. If they had not been on the work they certainly did neglect their duty.

Q. I am drawing your attention to this, that while you are using in the department between yourselves and the contractors such language as that, the Minister is reporting to the committee of Council, in order to induce the committee of Council to give the contractors more money, that the Engineer reports that the contractors have so far executed their work in a first-class manner and have shown good will? A. Yes, the work they executed was certainly first class, I have seen it.

Q. Were they showing their good will by neglecting the work? A. I remember Mr. Coutlee telling me that they were always ready but they didn't take the proper steps or they met with such difficulties that the results were not the same as desired by the Department.

Q. I have pointed this out to you—the Department is endeavouring to get the approval of Council to a large sum of money being granted to the contractors, additional to their contract, and you can see the council knows nothing except what is represented to it from time to time in writing, and in the writing it is said that the contractors are executing their work in a first-class manner and showing good will? A. Yes.

Q. Now, is that statement to Council fair to Council, when your department is using such violent language to the contractors about the way they are neglecting their work? A. Well, for their delay. The work they did was excellent, and I think the Engineer will tell you that.

Q. Does not the memo. to Council omit any mention of delay on their part; it naturally was serious was it not? A. That delay was very annoying.

Q. Was it not very serious? As a matter of fact was not the coffer dam a short time afterwards all swept away out of the Quebec Channel? A. Part of it was swept away.

Q. That would not have occurred if the dam had been built in the previous summer? A. They had no time to build it on account of the difficulty in coffer damming. We expected they could, but they built their coffer dam and they tried to unwater for two or three months and they could not get the coffer dam dry so as to start the men down.

Q. What breach of faith had the contractors been guilty of? A. I cannot say exactly what Mr. Coutlee meant by the words "breach of faith" but as I understand they had promised to do their best and carry on the work to completion, but it was not done in the end.

Q. Were they blameworthy or not? A. I do not know about that. The difficulties were such I do not know that they are to blame entirely for the delay. They certainly did delay, there is no doubt about that.

Q. In that Minute of the Minister to the Council is the Council properly apprised of the fact you have just sworn to, that there had been grave delays for which the contractors were responsible? A. This might have been mentioned but it is not usual to mention all these details.

Q. Furthermore, in consequence of the delay, and therefore of the season, the building of the coffer dam across the channel became more expensive, you had to house it and heat it in the winter time? A. We made the arrangements to house the concrete if it had been done, but they did not do it.

Q. If it had been done in the summer time there would have been no need of housing and heating? A. No, but there is no chance to do it all in the summer time, because the season is too short.

Q. Might it not have been done much more rapidly than it was done? A. That is a fair question to ask but it is very hard for me to answer on account of the

difficulties that have been encountered. I blame the contractors for delays time and time over again, but I am aware of such difficulties now that have been encountered, that I wonder if I was right to blame it all on them.

Q. We will put it this way; whether they were to blame for the delay or not, the long delay that had in fact occurred or the slow progress in getting the coffer dam and the dam across, was making it much more expensive and difficult work for winter? A. Yes, for winter work it would be much more expensive.

Q. No matter who was to blame? A. Yes.

Q. Now, then, in considering whether the contractors should be relieved or not, the most important question in equity would be whether they were to blame for the delay, or whether it is unavoidable? A. Yes.

Q. In order to do equity you would have to ascertain who was responsible for the delay? A. We certainly did consider all these things, but let me explain, Mr. Commissioner, the coffer dam could be commenced only after the high water. It takes a long time to build and it did in that case anyway, on account of the rapid current and some of their cribs were upside down and it took a long time to get the coffer dam across. When it was across, winter was on, and they had to build a secondary line of coffer dams to decrease the head against the first one in order to ease off by pumping. Then they started to pump in January, and we all hoped—I was not there but the Engineers hoped anyway—that in fifteen days it would be dry, but it took them until some time in April to get it dry. Now, to point out that it would be impossible to get the coffer dam ready in time to make the concrete before the winter set in—

Q. My question is very simple after all, and can easily be answered—who was to blame that greater progress had not been made up to this time in January, when the memo. was sent forth? A. I would say the contractors and nature.

Q. You don't know which was the most to blame? A. No.

Q. When the Council were asked to consider, to use your own words, the equity of the position, was not an important question in the equity of the position: who had been to blame for the delay? was that not an important question? A. That matter must have been discussed probably between the Minister and the Council.

Q. When you are considering the equity of a contractor to have a larger amount, is not one of the questions which enters into the equity: have you been to blame for delay? A. Oh yes, that was considered.

Q. If it was considered who was to blame? A. Well, we considered what the contractor had done in the way of delay and we found they had encountered—and in fact in my own conscience I considered that the difficulties outbalanced so much the delays that might have been laid upon the contractors' shoulders, that I did not hesitate to recommend that they were entitled to fair consideration in connection with the unwatering.

Q. And you did not think it necessary that Council should be informed of all the surrounding circumstances? A. I certainly did think it necessary that they should be informed of everything.

Q. They were not informed were they? A. They were informed probably through the Minister.

Q. They might have been informed; you don't know what the Minister said? A. I don't know, but so far as I am concerned everything was open.

By the Chairman:

I do not say it was not.

The further examination of the witness was adjourned to be resumed on Tuesday, January 23.

PUBLIC SERVICE COMMISSION.

OTTAWA, TUESDAY, January 23, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.
R. S. LAKE, Esq.
Commissioners.

THE EXAMINATION OF ARTHUR ST. LAURENT, Assistant Deputy Minister of Public Works, was resumed.

The witness produced original contract plans, upon which tenders were called for the wooden dam; consisting of two sheets, one a general sheet showing the dam, and the other a sheet showing the dam in relation to the position and some details.

Examination by the Chairman:

Q. With relation to that plan, it shows the position proposed for the wooden dam at the upper or northern end of the island? A. Yes.

Q. The middle section was a bulkhead connecting what? A. Connecting the sluice ways for the passage of the water.

Q. And also connecting the two ends of the dam proper, the Ontario Channel and the Quebec Channel? A. Yes.

Q. At that northern end of the island where the bulkhead is shown, would that be on dry land or in shallow water? A. That would be on dry land to the low water line here, and quite a little part would be in shallow water.

Q. Now, you have spoken of the representations made by the contractors that they were losing money and requiring some further consideration; did the contractors go to the extent of saying that they were unable financially to carry on the work unless they were assisted, or did they merely base their claim upon the ground that they were losing money? A. They did not go to that extent to me at the time to say that they could not carry on their work. The matter was referred to me for study and report. I heard them say that they were losing money and the Engineer gave his opinion that they were certainly losing money in connection with the unwatering.

Q. Did they say they were losing money on the whole contract? A. That is what I understood, sir.

Q. I want now to get at your understanding—there would be a difference in the condition of contractors who came before the Government and said: we are financially unable to proceed with this work, and the position of the same contractors coming forward and saying: we are losing money by the contract. Because, on the one hand the Department would have to consider that if they were financially unable to proceed with the work, the Department might have to take it up anyway, while in the case of losing money, the contractors would be merely having one end of the risk that the contractors take. What I want to get at is this: so far as you know from what took place was the representation of the contractors that unless they were helped they would have to abandon the work; did they go that far? A. Not before me.

Q. Before you, they merely represented that they were losing money on the contract? A. Well, that they were losing money on excavation, and wanted a higher price, which was one of the main factors of the contract. The main factors were concrete, excavation, and unwatering. They were losing money on unwatering.

Q. It was apparent they had estimated the unwatering too low, regarded as one thing? A. Oh yes, that was very evident.

Q. Then in addition to that which was quite evident to anybody, it would be evident to any sane man from the very beginning of the concrete structure that $4,000 for unwatering would be entirely inadequate? A. That was apparent. I thought it was a very low price.

Q. The $4,000 for unwatering originally had not been thought of in connection with the concrete dam? A. Originally, I do not think they did think of the concrete dam.

Q. We will come to that now—in unwatering for a wooden dam, such as was originally intended, how would the unwatering for such a dam differ from the unwatering which would be necessary for a concrete dam; would it be as much or less, suppose they had gone on and built the wooden dam? A. There were two different ways of building it. They might build there wooden dam on the dry and then they would require a certain amount of unwatering as for concrete. The contractors might suppose they could build their cribs on shore and simply sink them in place after having, I presume, cleared the bottom in some way, with some appliance or dredging. They might presume that and this would be one of the causes for the low tender for unwatering.

Q. Now then, in that latter case, would any unwatering be required, in building by the method of floating the cribs and sinking them would any unwatering at all be required? A. There would not be any unwatering at all; well, I must think of the sluiceways there. In this case, yes, on account of the sluiceways they would certainly require coffer damming.

Q. In building sluiceways through the wooden dam, some coffer damming would be required? A. Yes.

Q. The crib method could not be altogether used? A. It could be used only on parts where there are no sluiceways. There were sluiceways at the two ends of each channel.

Q. How many sluiceways would there be in the Ontario Channel? A. It is mentioned in the specifications, but I see from the plan that there are twenty-two sluiceways each twenty feet wide.

Q. How many sluiceways in the Ontario Channel are shown by the specifications? A. The specifications give the number of piers but do not give the number of sluiceways. But we can find them out from the number of piers. There are twenty-two sluiceways on the Ontario side and twenty-two on the Quebec side. They would want a continuous coffer dam so that they could build these sluiceways.

Q. That is different from what you said when you started? A. Yes, I correct myself.

Q. You mean to say that the original plan for the wooden dam required continuous coffer damming across both channels? A. That is my opinion. Moreover, in all these piers that he mentioned, this work would have to be done in the dry.

Q. You say as an Engineer then that the amount of work required in that dam made it necessary that the work should be done in the dry? A. Yes.

Q. And that they could not have floated the piers and sunk them according to the plan? A. Well, you see there is a base there. They could have floated and sunk the base to the bottom of the whole dam.

Q. Without having coffer dams of their own? A. Yes, they could do that and clean the bottom.

Q. They could clean the bottom, float out the base, sink it, and they would require no coffer dam, but they would have to coffer dam afterwards when putting in the bents? A. Putting in the bents and anchor bolts.

Q. Would there be any advantage in not coffer damming at the outset? A. They would have to do it.

Q. As they would have to coffer dam in order to put the bents and sluices in they might as well coffer dam at the very beginning? A. Yes.

Q. If they coffer dammed at the very beginning for the wooden dam that was no more than they would have to do for the concrete dam? A. They would have to coffer dam just the same as for the concrete dam but the pumping and keeping dry would be very much more expensive on account of the greater depth that they would have to go in the foundation.

Q. But the pumping might be very much more because for the concrete dam they might have to go very much deeper for the foundation. Now, the risk that they might have to go deeper for the foundations of the coffer dam was apparent of course the minute you decided to have concrete; it was a fact that you were going to have a concrete dam that raised the point that they might have to go deeper? A. Oh yes, we had to be more careful about the foundation.

Q. Therefore, when it was decided they should have to contract for the concrete dam, care was taken to point out to them that the sum which they had named was to include the whole of the coffer damming and unwatering? A. Yes, that appears in the correspondence.

Q. That is the reason you drew their attention to it? A. Quite so, yes. Might I add that of course it was not expected that it would turn out there would be so many difficulties met with in unwatering. Might I explain in connection with the change from wood to concrete that this was not a decision which I took and wrote a memorandum about at once. I had it in mind as a general principle first and I kept it in mind and delayed and delayed and it took me some little time to make up my mind to make a memo. to recommend the principle of concrete in the dam and go over the head of the Chief Engineer. That is a prerogative of the Chief Engineer to make these recommendations. He was ill at the time and I kept it in my mind quite a little while before I decided to prepare a memorandum. These details connected with the dam just grew on me and I do not know at what time exactly I thought there was something doubtful about the foundation.

Q. There were three main things about this, first there was the decision to build it of wood? A. Yes, I had nothing to do with that.

Q. Then there was the decision to build it of concrete and you have explained that? A. Yes.

Q. Then there was the third matter, about changing the location? A. Yes, that was brought in by the Engineer.

Q. You might have built it of concrete in the old location? A. Yes, we might, only that the Engineers made their choice of location. Mr. Coutlee will be better able to explain these details.

Q. As a matter of fact, in your opinion, was the construction of the dam made much more expensive by changing the location? A. That is what I have been told by the Engineer; I cannot find out exactly the reason.

Q. Would you indicate to us what may have made it more expensive? A. The greater depth of water and the swifter current that they had in the new location. If I remember well the rapid began above the head of the island where the original location was and then it dropped more suddenly and the current becomes very rapid there. Of course construction is always more difficult in rapid currents.

Q. There were two things you say, one was that there was a greater depth of water, and the second, was that there was a more rapid current? A. I say that, under correction of the Engineer.

Q. Yes, that is your suggestion, you were not on the work; that greater depth of water and the more rapid current, two things due to the same cause, would result in greater cost; the changed location brought you down to the narrow part of the channel? A. Well, I think it was narrower there.

Q. The channel contracts there? A. Yes.

Q. The point I was asking you about is this: That in consequence of the narrowing of the channel at the site chosen for the concrete dam the water would be deeper and the current more rapid than where the wooden dam was to be placed? A. Well, I think there would be no great difference in the depth of the water there.

Q. The greater volume of water would make the current run more rapidly? A. Oh, yes, the rapids are much stronger there.

Q. Therefore the greater rapidity of the current would make the coffer dam more difficult? A. Oh, yes.

Q. And the danger of scouring much greater? A. Oh, yes.

Q. Was the fact that a location was decided on there brought, so far as you know, to the attention of the Committee of Privy Council and sanctioned by the Council? A. The fact of the change of location.

Q. Yes? A. I cannot remember. I would have to look at the recommendation to Council.

Q. So far as the files show, it was not, and so far as your memory is concerned it was not? A. Not that I know of. Of course we apprised the Minister of all the facts and of course the discussion in connection with these things takes place in Council and we would not know anything about it.

Q. The fact of the change of the location would be known to the Minister? A. Certainly.

Q. The Minister may or may not have verbally informed the Council and that you have no means of knowing? A. I have no means of knowing.

Q. I was referring to the written memorandum to go to Council; the files show no such information in them, and I was asking you if from your memory you knew the change in location had been brought to the attention of the Council and you say no? A. With reference to the change from wood to concrete we did not know there would be a changed location.

Q. When the memorandum to Council changing from wood to concrete was made you said you did not know that a change of location would be made? A. No.

Q. That became apparent only after the site was examined and the plans and specifications about to be made? A. Yes.

Q. Later on, some time in the spring of 1909? A. Yes, after the study of the Engineer.

Q. After that study when it was decided to make the change which as you say involved certain greater difficulties you do not know that it was ever brought to the attention of Council? A. I do not know, I have no means of knowing.

Q. From your recollection can you recall that the fact which you have just testified to, namely, that the change of location would in fact increase the work and the difficulties, was represented to the Minister? A. I cannot recall that specifically. It must have been talked about, but whether to the Minister or not I cannot say.

Q. It might have been talked about but do you remember, if the point I have just raised was, as a matter of fact, talked about by you or the Chief Engineer? A. I do not remember. We have talked about thousands of things and I do not remember; it must have been because these things are done generally.

Q. You don't remember but it may have been? A. Yes.

Q. Do you remember Mr. Coutlee ever drawing your attention or you drawing his attention and discussing that feature of the case? A. The feature of the changed location?

Q. No, you would have to discuss that there was a change in location, but the fact that the change in location would increase the difficulties in the way you have

pointed out; do you remember discussing that? A. I remember there was some discussion.

Q. Between you and Mr. Coutlee? A. Yes.

Q. And between you and the Chief Engineer? A. I do not remember with the Chief Engineer.

Q. Do you remember ever pointing it out to the Deputy Minister? A. Your question is that the change in location would increase the danger and the difficulty.

Q. The danger and the difficulty and the possibility of increased expense; I want to know, in the first place, whether that was present in your mind, and with whom you discussed it? A. Well, I cannot say that I discussed that with the deputy because these questions were brought to a point in connection with the memos. which were made and it was only then conclusions were arrived at.

Q. But Mr. St. Laurent, this was a very important question was it not; the change of location would be a very important question, of course? A. It was very important. It would not have been very important if the conditions had been as they were expected to be and there were no difficulties in the foundation and that sort of thing. If there were no difficulties the change of location would not appear so important, as we did not expect any unforeseen difficulties.

Q. You have, this morning, very readily testified to what seems apparent, namely, that the narrow channel would increase the swiftness of the current; if it did not increase the depth it would have to increase the swiftness of the current? A. Yes.

Q. I am only asking you whether that thought occurred to you at the time the decision was reached to change the location? A. I cannot say whether it was at that time the thought occurred to me. I am very frank about it. We have thousands of things to attend to. We give instructions, and sometimes they are not carried out. I cannot remember positively what was done in connection with this or that but the memos. made there were prepared very carefully and everything there can be justified.

Q. What do you mean by everything there; there is no mmo. about th increased risk because of the rapidity of the current? A. It was all dealt with later, I suppose, in the general memo.

Q. What general memo.? 9. The memo. prepared in connection with Kirby & Stewart's claim, probably.

Q. Do you mean to Council? A. Well, the memo. I made, upon which probably the recommendation to Council was based. You see the claim was referred to me and I made a memo.

Q. Does that appear in the correspondence? A. I do not know, I should think it must be there. I am sure I made a memo. The claim was referred to me and I made a memo.

Q. Do you remember the time that Mr. Coutlee wrote that letter to you on December 13? A. Yes.

Q. Kirby & Stewart on the 29th wrote to the minister a long statement of claim; on January 5 the minister made a memo. to the deputy but there is nothing here apparently of yours? A. I am sure I made a memo.

Q. Made a memo. at the end of 1910 when the contractors were applying for an increased amount for coffer damming? A. I will look it up, I think that memo. must be there, somewhere.

Q. I was referring to the time, not that you were called upon to pay for it, but at the time that it was decided to change the location, and I was asking you this, as a matter of fact and memory: whether you can recall discussing with anybody or having any one discuss with you that the change of location would increase the dangers and difficulties in coffer damming? A. Not that part that the changed location would increase the difficulties, but I remember discussing the change of location with Mr. Coutlee but not the difficulty.

Q. You remember discussing the fact of the changed location but you do not remember discussing the point that it would increase the difficulty and so on? A. Not at that time, but in connection with the memo. I was making. What I recall is that the memo. I was preparing stated the facts, and then I took care to show it to Mr. Coutlee calling his attention that it was in accordance with the facts.

Q. That is the memo. prepared at the end of 1910. Will you search and find it if you can; it is not among the papers? A. Yes.

Q. I have here an index of all that correspondence and there is no mention of that in this index? A. I am sure, from my recollection, that the recommendation to Council was based on my memo. The trouble is there are several files. For instance, the Timiskaming dam is sometimes called the Long Sault and we found some documents under the head of Long Sault. The system of indexing was changed last year.

By Mr. Lake:

Q. Was it changed to a better system? A. Well, that is what we think, but it will take some time to get the change in full swing.

Q. I notice there were several gaps in the correspondence and we requested the Deputy to try and complete the files.

By the Chairman:

Q. Finally, the whole cost of coffer damming across the Quebec Channel was undertaken by the Department? A. Yes, there was an Order in Council passed assuming the whole cost, and changing the contract to that extent.

Q. And paying the contractors for what they had done with fifteen per cent profit and so on? A. Yes.

Q. When that assumption took place a portion of the coffer damming across the Quebec Channel had been done by the contractors? A. Yes.

Q. And the Order in Council stated that they should be paid for that part? A. I presume so, I do not think it was specifically mentioned.

Q. Yes, it is mentioned? A. I cannot recall that; it was the intention anyway.

Q. In that memorandum of the Minister dated the 34th of January, the Minister thinks the contractors should have more for coffer damming and recommends the cost of the coffer damming plus fifteen per cent and alterations? A. Did he mean in a general way with the part already done and the part remaining to be done.

Q. No, that one dated the 14th of January, 1911, recommended that authority be given to pay to the contractors over and above the contract price the actual cost of coffer damming and unwatering, and complete the dam. They were to go on and do it themselves? A. Well, they went on with the work and in the spring it was swept away. They went on with the work of the coffer damming; they tried to pump it out and they succeeded just a few days before the rising of the water.

Q. Was the coffer dam there? A. Part of the coffer dam was unsecured and was carried away by the high water. But none of the concrete dam had been done.

Q. That was in the spring of 1911? A. Yes.

Q. Do you remember what time of the year that took place? A. I think it was in April; it might be the beginning of May.

Q. Mr. Coutlee reports on May 4th that the east half of the Quebec coffer dam had been swept away? A. Yes.

Q. Mr. Coutlee recommended that Joseph Filion should be engaged to put the coffer dam across the Quebec Channel by day work at the expense of the Government? A. Yes, I remember that recommendation.

Q. And he was accordingly employed for that purpose? A. He was engaged first to advise, because he was a very experienced man in coffer damming work.

Q. I find that Mr. Coutlee wrote to the Chief Engineer on May 11, reporting that the half of the coffer dam across the Quebec Channel had been swept away and on May 19, the Chief Engineer reported to the Deputy Minister and also reported the recommendation of Mr. Coutlee in these words:

"That Mr. Joseph Filion be engaged to superintend the reconstruction of the coffer dam."

Mr. Coutlee estimated the cost of renewing the main coffer dam, the pocket dam, and the counter dam, as well as the necessary pumping at $50,000. Now, that work was undertaken, as a fact, by Mr. Filion? A. Yes, under the direction of the Department, but not as a contract. He was paid so much per day.

Q. He was paid so much per day and so were the men under him? A. Yes.

Q. By whose authority, as a matter of fact, was Filion engaged? A. The thing was referred to the Minister and he gave his authority.

Q. You think the Minister gave his authority for it? A. I remember that the matter was referred to him.

Q. Were you instructed? A. I was with Mr. Coutlee before the Minister and the Deputy Minister in this connection and we recommended that we try to get the most experienced man possible in order to get this work through.

Q. I find nothing on the files to show that the matter was ever reported to Council to obtain authority? A. To engage Mr. Filion?

Q. To finish the work of coffer damming on the Department's behalf? A. That is mentioned I think in the last Order in Council.

Q. The fact that it had been done is probably memtioned in the Order in Council in August, 1911, when you were assuming the whole work. I will look to see about that, but what I am asking you is this: do you remember whether any memo. was prepared for Council asking for authority to undertake the actual construction work by the Department? A. Oh, Yes, that is in the recommendation to Council in connection with the authority that was asked for in connection with the contractors.

Q. Yes, but that is a different thing; when did you undertake the work under Filion? A. When Mr. Filion was engaged for the purpose of starting the work he did so, but I do not think the day labour work started until we got authority, I am not sure.

Q. You never did get authority? A. We got authority from the Minister to engage Mr. Filion.

Q. Oh yes, from the Minister, what date of the year would that be? A. That would be shortly after his memo. He says on the 9th of August orders were had to proceed with day labour on the Department's account.

Q. In the report dated 15th September, 1911, from Mr. Coutlee to the Chief Engineer he says:

"On the 9th of August, orders were received to proceed with the Quebec Channel work by day labour on the Department's account."

On the 8th of August, 1911, I find you telegraphed to Mr. Coutlee:

"You may organize at once to start coffer dam work at Timiskaming."

A. That was on permission obtained from the Minister, and pressure had been brought for some time that if we were to do anything before the next high water we had to commence at once.

Q. Now, I find that there is no memo. of Council authorizing that action? A. The memo. to Council is dated later.

Q. On the 11th of August there is a report of the Committee of the Privy Council referring to a memo. dated 7th August from the Minister of Public Works and it sets out the terms of that memo. so that no memo. would be dated three days before you asked Filion to go to work? A. Yes, but sometimes the Minister would tell us that

the order was passed and to go ahead, but I understand that at the Privy Council Office it had to go o the Governor, to be finally sanctioned and all that sort of thing.

Q. On the 5th of August the Minister appears to have made a memo. to go to Council; on the 8th of August you telegraphed to Filion to start the work for the Department; on the 11th of August the Committee of the Privy Council adopted the Minister's memo. dated the 5th August, and looking at that I find it stated: the report of the Privy Council passed on the Minister's memo. is the one in which the assumption of the whole work of building the dam should be undertaken? A. Yes.

Q. It is not one under which the work of coffer damming the Quebec Channel could be undertaken at all. It does not mention that. It simply assumes the whole work of building the dam? A. Yes, and relieving the contractors of their contract.

Q. What I point out is this: there does not appear to be any decree or authority on the part of the Council to undertake the coffer damming of the Quebec Channel by day labour, upon which your order went to Mr. Coutlee? A. It must be mentioned there at the end.

Q. It does not appear to; one of the clauses says the construction of coffer dams, erection of the concrete dam, and sheet piling, &c., to be proceeded with by day labour? But that is relieving the men of their whole contract? A. Yes, taking over the work entirely.

Q. When the Minister directed you to send an order to Filion on the 8th of August, assuming the building of the coffer dam. had it been decided by the Minister to take over the whole work? A. I would not have sent that telegram without being told.

Q. Do not misunderstand me; when the Minister told you to send the telegram to commence the work on the coffer dam. had the Minister decided to recommend to Council that the whole work of building the dam should be taken over? A. He must, because the recommendation to Council is dated on the 5th, and then he signed it, before it goes to Council.

Q. Quite so, then, as a matter of fact, the undertaking of the work of coffer damming by the Department was part and parcel of the scheme to complete the whole work by the Department? A. Certainly.

Q. And that was then actually entered upon and the work actually commenced three days before Council authorized it? A. Before the date of the Order in Council.

Q. Before the date of the report to the Committee of Council. What I mean to say is this: the work which you undertook of coffer damming the Quebec Channel at the expense of the Department was not a thing by itself but was part and parcel of the decision of the Department to assume the whole contract and relieve the contractors of it? A. The matter had probably been discussed by the Minister and the Council.

Q. You cannot swear to that? A. Because the Order in Council had been prepared.

Q. Do you know it was discussed by the Minister? A. I do not know it as a fact.

Q. Have you any reason to think it was? A. As a general rule—

Q. Never mind the general rule, I want you to deal with this question, had you any information of your own to lead you to believe that the Minister had discussed with the other Ministers what should be done in this case? A. My reason is, that when the Minister told the Deputy Minister and I was told everything was all right, my reason is that the matter had been settled.

Q. As far as the Department was concerned it was in fact settled? A. I had reason to believe the question had been settled between the Minister and the Council.

Q. What reason had you? A. Because it is a general rule, when we make recommendations to Council, we know these are for discussion by Council. That is the policy. The Minister is in possession of all the facts. In our recommendation to

Council we do not put all the details in connection with these matters, but the Minister is in possession of all the facts, and as a general policy discussion takes place at Council. I know that, as a fact.

Q. You know that when the matter comes before Council a discussion takes place before Council. A. Yes.

Q. We are dealing with a question upon which action was decided on three days before it apparently came to Council? A. Our recommendation is dated the 5th.

Q. The memorandum is dated the 5th? A. Yes.

Q. That memorandum would be prepared as you have explained in your previous evidence, in your department? A. Yes.

Q. It would be dated the day it was prepared? A. Yes.

Q. It would not necessarily get before Council that day? A. Not necessarily, but very often we are pressed—

Q. I asked you would it necessarily get before the Council the same day? A. No.

Q. Council does not meet every day? A. No.

Q. In the month of August it would not be meeting every day? A. I do not know.

Q. You do not know, as a fact, what day it came before Council? A. No.

Q. Do you know as a fact, on your oath that this position was discussed between the Minister and any other Ministers before it came to Council? A. I do not know it as a fact; I am simply telling the general rule.

Q. You cannot give us the general rule because general rules are subject to exception? A. Well, some of these questions are pretty hard to answer without qualification, and I know you want to be fair and I want to be fair too.

Q. Certainly I want to be fair and I am only asking you because you are giving information about things you cannot possibly know? A. I know as a fact it takes place because the Minister often tells me he has discussed that matter with Council.

Q. I am perfectly willing to have you put in evidence everything you want to say, but what do you know about this as a fact? A. I know as a fact that these matters in connection with recommendations to Council are very often discussed in Council.

Q. Now, I presume that whenever an order comes before Council it will be discussed? A. It is there for discussion.

Q. Precisely, and we are bound to assume that when it does come up before Council it will be discussed; we do not need evidence on that point, that is only common sense. I was not talking about what took place before Council, but I was talking about what may have taken place three days before Council apparently dealt with it and I am asking you whether you personally know, of your own knowledge, whether it was as a fact discussed between the Minister and any other Minister? A. I have no means of knowing that.

Q. You have no means of knowing that? A. Except if the Minister would tell me.

Q. He did not tell you? A. I do not remember that he told me.

Q. I want you to tell me if you have any reason to suppose from any knowledge in your possession that it was discussed between the Minister of Public Works and any other Minister before your telegram went to undertake the work? A. I can only answer you that it is a matter that would be discussed; I can only answer you that.

Q. I was not asking you about theories or what you think should take place, I was asking you about what you know took place in this particular case? And I am asking you if you have any knowledge whatever that any discussion took place between the Minister of your department and any other Minister concerning this work? A. No, sir, I have no personal knowledge of that.

By Mr. Lake:

Q. With reference to the date of the Orders in Council I think you said the date of the Order in Council was the day upon which the Order was typewritten? A. Yes.

Q. Do you know that of your own knowledge? A. It may be typewritten, and if it is delayed of course the date would be changed; if it is delayed on the desk of the Minister for instance quite a few days might elaspe.

Q. I am talking about the actual Orders in Council—is not the date of the Order in Council the date on which Council agrees to it or is it the date that it is signed by His Excellencey the Governor General? A. It is approved by the Governor General of course but I am not sure as to the date.

Q. You don't know whether it is the date on which Council agrees to it or the date on which the Governor General signs it? A. I do not know.

By the Chairman:

Q. We find then on June 29, 1911, a letter from the contractors to the Minister of Public Works in which they quote a letter to them from Mr. Coutlee, dated May 12, in which they request that the department will assume the complete work and pay them for the work completed to date, and make other claims, which were carried out. So that it appears from this and from what you have just said that for a considerable time during mid-summer 1911, your department was considering the advisability of taking the whole work off the hands of Kirby & Stewart? A. It must have been talked about.

Q. Now, on that same date, Mr. Chrysler, K.C., asked for an interview with the Minister which was subsequently held, and on the 12th of July, you and the Engineer in charge made a joint recommendation to the Minister which recites some of the points in the history of the case and concludes with a recommendation that the further construction of the dam should be taken from the contractors. Were you present at the interview between Mr. Chrysler and the Minister? A. No, sir.

Q. Do you know that there was such an interview? A. I do not know.

Q. Were you not told anything about the application? A. Oh yes, I was told, I remember Mr. Chrysler's name being connected with it, but I was not present.

Q. At the interview between Mr. Chrysler and the Minister, you were not present? A. I was not.

Q. Did you know at the time that it was taking place? A. I do not think so.

Q. Did you hear afterwards that it had taken place? A. Nobody told me specially.

Q. Then on the 1st of July you joined with Mr. Coutlee in the recommendation; who asked you to prepare that recommendation? A. It must have been—

Q. Speaking from memory, who asked you to prepare it? A. I do not remember if it was the Minister or the Deputy Minister.

Q. But you were asked to prepare it by somebody? A. Yes, whether verbally or by papers being transmitted, I cannot say.

Q. Well now, you prepared this recommendation, winding up with these words:

> "We therefore recommend that authority be given to take the necessary steps in order to arrive at a proper and final settlement with the present contractors."

Had that already been decided upon when you prepared this recommendation? A. Well as far as I was concerned, I discussed the matter with the Engineer and for some time we had reached the conclusion that it was the only solution.

Q. When you wrote this letter on July 12, had you discussed it with the Minister? A. I cannot say if I discussed this with the Minister directly.

Q. You should try to remember, because you must know whether you discussed it or not; you would not as Assistant Deputy Minister go to the extent of advising that

the entire work should be taken off the hands of the contractors and what final settlement should be taken unless you had talked the whole matter over with the Minister and knew what he thought about it? A. Not necessarily, because I get lots of different things that are simply referred to me, with the notes "please report."

Q. We will try to confine ourselves to that one thing now. On July 12 when you wrote the report I am now referring to, had you discussed the decision with the Minister and said that you were going to make this recommendation? A. To take over the work?

Q. To take over the whole work? A. Oh, I think so.

Q. And this written document was a mere statement of the reasons which you had previously verbally given and upon which it had been decided to assume the work? A. Some of the reasons may have been stated to the Minister but not all.

Q. But the decision that the proper policy was to take it over had been arrived at? A. Yes, and it was certainly discussed with the Deputy.

Q. I find that on the 18th of July the Assistant Deputy says:

> "In further reference to your letter of June 29 last, transmitted to Mr. Pugsley by Mr. Chrysler, I beg to quote hereunder the terms of the recommendation which the Minister is willnig to place before Council."

And he then proceeds to state the terms of the recommendation, which he put in his memo. dated 1st August, and winds up by asking the contractors whether they would agree to that provided it were favourably considered by Council? A. Yes, I was asked to write that by the Deputy Minister.

Q. The Deputy Minister asked you to write that? A. Mr. Chrysler's letters were transmitted through the Deputy.

Q. We have these steps—you and the Minister consulting about the proper policy to pursue, then you prepare a letter recommending that policy, then the contractors are notified that the Minister has arrived at that decision? A. What I meant was that the matter had been discussed with the Minister personally, in a general way, but I do not think this was the result of any personal discussion with the Minister.

Q. Which was? A. The writing of this letter.

Q. I did not say that. I repeat my question. We have these steps: you and the Minister discussing about the proper policy to pursue, then you prepare a letter recommending that policy, then the contractors are notified that the Minister has arrived at that decision, then, acting on that decision as part of it, on the 8th of August, you notified Mr. Coutlee to let Filion begin the work of coffer damming? A. Yes.

Q. On the 11th of August, an order embodying that policy is approved by the Governor General? A. Yes, as shown by the date.

Q. The contractors did agree of course, and the first thing that is done then is that a man by the name of Griffiths makes an inventory of the plant owned by them, and the amount of that inventory has been paid, has it not? A. I think so but I have not seen it, that was dealt with by the Accountant.

Q. Then the amount of their claim outside of the plant has been the subject of inquiry by some officials? A. Yes.

Q. Who were these officials? A. Mr. Chalifour, of the Public Works Department and Mr. Douglas of the Auditor General's Department, and Mr. Donnelly, who has been on the work for practically the whole time as Assistant Engineer.

Q. They have not made a report yet? A. Not yet, sir.

Q. Now, one of the final terms was that the security cheque put up by the contractors was to be returned? A. I cannot say.

Q. In October of 1911, there appears to have been a written contract executed by your Department with the contractors carrying out the terms of that minute of August 11. There is a contract dated 5th October, 1911, based on the minute of

August 11, signed by the Deputy Minister and the Secretary and by the contractors: do you know anything about the signing of that contract? A. No, sir.

Q. You had nothing to do with it? A. No.

Q. You don't know how it came to be signed in October or anything about it? A. That is in connection with the return of the security cheque?

Q. Yes, that settlement of the claim and all that sort of thing? A. I know nothing about it.

Q. And finally, the work in the Quebec Channel has been going on since that time under the charge of Mr. Coutlee? A. Yes.

By Mr. Ducharme:

Q. Do you know if the men are working there just now? A. They are working there just now.

Q. At what place was the wooden dam to be built, was it close to the island or a little above it? A. Just at the head of the island.

Q. Would it touch the island? A. It would touch the island when the water would be very low. There would be water between the island and the dam at high water or medium high water.

Q. What is the depth of the water at that place where the wooden dam was to be built, can you tell us from the plan? A. On the Ontario Channel at low water it is dry. At high water, there would be about from six feet to eight feet of water in the Ontario Channel.

Q. Then the rise of the water was from six to eight feet? A. Well, the rise of the water during flood level has been as much as twenty feet, but that does not occur every year. The rise of the water above the apex of the bed of the river, that gets dry when the water is low, would be from seven to eight feet as you say.

Q. So that the ordinary height of the water will be about six or eight feet? A. From the bottom of the bed at that place at ordinary high water. At extreme high water there would be from eleven to twelve feet.

Q. What was your object in putting the wooden dam across the head of the island? A. I cannot say what was in the mind of the Engineer who prepared the plans or why he selected the location.

Q. Personally, you had nothing to do with that? A. I had nothing to do in connection with these details of drawing, and so forth.

Q. Can you tell me the whole length of that wooden dam? A. Yes, one thousand three hundred and fifty feet in length is mentioned in the specification.

Q. You see the tenders for the contract for the wooden dam and in which there is a great discrepancy could you explain that large difference in the prices? A. That is explained by the different point of view that the contractors take. It is hard to explain sometimes. Some think they will be lucky, I presume, and that they will get through with less money, and others may cover certain risks with higher sums of money.

Q. Did it not strike you as peculiar when you saw such differences in the prices? A. Not particularly, because that is in all these contracts. We often notice there is a great discrepancy in the different prices of things.

Q. Do you know if the attention of the Minister was called to that peculiar discrepancy? A. Well, the tenders are always shown to him.

Q. You do not know that his attention was specially directed to it? A. No, I do not myself show him the tenders.

Q. The two principal items in that tender of Kirby & Stewart that made it lower than the others was the price they charged for common excavation and the price they charged for unwatering? A. Yes, the price for excavation and unwatering and for their concrete, there was only one tender that was lower, and the others were higher.

Q. How long should it have taken to build a wooden dam like that provided for there? A. Under ordinary conditions, it should not take more than a year. Of course

all our prophecies have been upset in that Timiskaming Dam, but under ordinary circumstances, I think hardly more than a year would be necessary to build a dam of that kind.

Q. How long should it have taken to make the coffer dam? A. Do you want our own experience?

Q. Your own experience; how long do you think that coffer dam should have taken? A. Well, we started in August, when the orders were given, got the timber, and the main coffer dam was across that branch of the river about some time in December.

Q. I am not asking you how long it took to build that dam—from your knowledge of such work how much time should it take to make such a coffer dam? A. It all depends on the difficulties encountered. I cannot say. In hydraulic work we can never estimate exactly. We make mistakes. We may err in judgment very largely, I admit that.

Q. Do you know when the contractors were advised that the contract for the wooden dam was awarded to them? The recommendation was made in November but it seems to me the contractors were going ahead at that time? A. Immediately after the passage of the order in council in connection with the wooden dam.

By the Chairman:

Q. Long before that, that was not passed until January? A. I remember after tenders were received and the lumbermen were pressing for the execution of the work and Messrs. Kirby & Stewart were told to go ahead with their work.

Q. They say they were told in November? A. I cannot say as to that. I know that the Department told the contractors to go ahead with their work before the contract was passed, I think.

Q. The contract was not authorized until January and was not signed until July.

By Mr. Ducharme:

Q. Kirby & Stewart in their letter of December 19 say that they were verbally notified of the acceptance of their tender shortly after the first of November, 1908; do they state the truth when they say that? A. They were notified but I cannot give the exact date. I presume they were told verbally by the Deputy Minister to go ahead, but not by me, so that I cannot say the date.

Q. Why were they advised beforehand in such a way? A. On account of pressure brought by interested parties to have that work commenced as soon as possible.

Q. Who would take the responsibility of advising them to go ahead in that way? A. There would be the Minister and the Deputy Minister.

By the Chairman:

Q. If that were the case you give a reason why the matter should not be brought before Council immediately and dealt with instead of waiting until January? A. I cannot explain anything about that.

Q. You cannot give any explanation of that? A. No. I think I explained to you that they had to get some material in during the winter and the winter months on the winter roads.

By Mr. Ducharme:

Q. The order in council granting the contract to Kirby & Stewart for the wooden dam was recommended on January 18, 1909, by that memo. was there then any question of changing that dam for a concrete one? A. At that moment?

Q. At that time, on January 18? The tenders were called for in October and I think the recommendation to Council was made on November 20. The order in council was granted on January 18, 1909. Now, at that time during the two or three months, was there ever any discussion about the changing? A. Not by me.

By the Chairman:

Q. On January 16 you had written the recommendation that it should be made of concrete? A. Yes, but he was speaking of November.

Q. No, he was speaking of January? A. I do not understand that.

By Mr. Ducharme:

Q. From November to January 18, there was a question of changing the wooden dam to a concrete dam? A. The recommendation to Council must have been sent before that. When I made my recommendation I did not consider exactly what had been done in connection with the Order in Council. I got convinced of the thing and I simply made the recommendation.

Q. When the recommendation was made on November 20, had you then in your mind the change of the dam from wood to concrete? A. I do not think so, because my recommendation was made on January 16, and if I remember rightly it was only for three or four weeks that I had this on my mind, and it worked gradually on me and finally I decided to make the recommendation.

Q. You made your recommendation for the change from wood to concrete on the 16th? A. Yes.

Q. But was that recommendation made after you had some discussion with some of the officers of the department about the change from wood to concrete, or did you make your recommendation before speaking to anybody about this change? A. Well, no. I might have mentioned a few words about the advisability of building of concrete, but I took the whole responsibility of that change.

Q. That is all right, I admit you took the whole responsibility of the change, do you take the whole responsibility of the whole mismanagement of this dam? A. I do not agree there has been mismanagement because difficulties have been encountered.

Q. We will come to that by and by; do you think that possibly you have discussed this with others? A. Not discussed fully, but I mentioned that I would like the storage dams built of concrete as much as possible.

Q. In the ordinary course of business such a change would be discussed with the head officers? A. Yes, before I made up my mind I must of discussed it with the Deputy, but I am not sure that I discussed it with the Chief Engineer. If he was there I must have mentioned the matter to him.

Q. Now, on December 16, you made the recommendation to whom? A. I made the recommendation; my recommendation must have been addressed to the Deputy Minister. I would naturally oddress it to him.

By the Chairman:

Q. This is described as "Re Storage Dams"? A. That would be sent naturally to the Deputy Minister, unless the Minister would ask something specially and then I would answer him directly.

Q. Did you have direct access to the Minister about this whole Timiskaming matter? A. If he called for me; otherwise I would deal with the deputy who deals with the Minister.

By Mr. Ducharme:

Q. Did he ever call for you? A. Yes, he called me in when Kirby and Stewart presented their claim.

Q. Did he call you in at any time beside that? A. No, I do not think so.

By the Chairman:

Q. The point is that you do not know whether this memo. of January 16 went before the Minister or not? A. It would be taken by the Deputy Minister.

Q. As a fact, you don't know whether it went before the Minister or not? A. No.

Q. I suppose all the recommendations to the Council are made by the Deputy Minister? A. They are prepared by the Secretary and laid before the Deputy Minister.

Q. And then they are taken to Council? A. They are taken to the Minister by the Deputy Minister, and if the Minister agrees he signs them before they are sent to Council. The Secretary sends them to Council they don't pass through me.

Q. You see the signature "W.P." What would be the meaning of these initials on the document, would it mean approbation? A. His initials mean approbation.

Q. From the knowledge of the facts that you have, do you think that this Order in Council of January 18, 1909, is not misleading?

The CHAIRMAN.—That is a matter for our consideration.

Mr. ST. LAURENT.—Since the question has been put I must say most positively that it never has been the intention of misleading Council in any of the Orders of Council, and I can answer for the other officers as to that.

The CHAIRMAN.—Pardon me a moment. You have made that statement, but you have just told the commissioners here that you had nothing to do with the framing of the memos. to the Minister.

Mr. ST. LAURENT.—I am speaking as a higher officer in the department.

The CHAIRMAN.—You must speak as to your own knowledge; you can only speak as to what you know.

Mr. ST. LAURENT.—And I know those that are preparing the Orders in Council and I most positively say that to my knowledge there has never been anything to mislead the Council. I must say that.

Mr. CHAIRMAN.—You were not asked whether anybody had any intention of deceiving Council. Mr. Ducharme asked whether the language was not such as would mislead; you were not asked about the intention of other people at all, and, again, you have just sworn that you have nothing to do with preparing the memos. that went up to Council? A. Well, I am consulted sometimes.

Q. When you say that you are only speaking from your general knowledge of the character of the people? A. Yes.

Q. And you are giving them a certificate of character? A. When it comes down to an interpretation of the language.

Q. Quite so, and upon that you are no better able to give an opinion than the Commissioners? A. I am, because I know the working of the department, Mr. Commissioner.

Q. I am not talking about the workings of the department, and the construction of the language that is actually used is a matter of judgment by anybody who reads it? A. It is a matter of interpretation and judgment certainly.

Q. The interpretation of the language is a matter of judgment for those who read it? A. Yes.

Q. And it may convey one thing to one man and another thing to another man? A. Yes, but I know the feeling that exists and the working of these things.

Q. Excuse me, you have no right to answer that way, because you would be reflecting upon the Commissioners? A. No. I am not.

Q. Pardon me, Mr. St. Laurent, for saying that you were not asked by Mr. Ducharme what was the intention of anybody in the department, and you had no right to answer as you did? A. I was asked if the Order in Council was misleading, and I say there was never any intention of misleading. Mr. Ducharme will be fair to me; I think it is my right to answer that.

Q. You will see the difference of course, between whether an Order in Council is misleading and whether it is intentionally misleading? A. Oh, yes, I understand that.

Q. You were not asked about the intention you were asked about the fact, and you should not really need to be asked about the fact because that is a deduction which must be drawn from the language itself, but so far as the intention is concerned there was no question put to you and the reply is an imputation; you don't

know the intention; you could not positively swear to other people's intention? A. I apologize if I made a mistake, I have not got a legal training.

Q. Now, how could you on oath swear as to the intention of any one; that is a mental process about which you can know nothing? A. Is it not my duty to say so, that I know everybody in the department tries to put everything in the right light.

Q. You don't know anything at all about what other people try to do because that would be a mental process about which you, as a witness do not know. All that you could possibly swear to would be what you yourself tried to do. We have not asked you any other question.

By Mr. Ducharme:

Q. What I meant to say was this, Mr. St. Laurent; that the tenders were intended for a unit price and it was by mistake that a bulk price was asked? A. Yes.

Q. That was about the month of November, that took place when tenders were sent out? A. Yes.

Q. When you had the Order in Council of the 18th January giving the contract for a bulk price, when you say it was a clerical error and you say that in the month of February, it was a clerical error, I say surely when you were giving out a contract for seventy-six thousand dollars at so much a foot and so much a yard, surely that was misleading? A. I do not think so, sir.

Q. Well, your memo. is misleading, according to your own words; you said yourself that it was not intended to be bulk price but that it was intended to be unit price? A. Whether it is a bulk price or a unit price we had to calculate what would be the ultimate amount to show to Council what we think will be the ultimate amount to be paid. That has to be done whether it is made as a unit price or a bulk sum. I made some inquiry about that memo. and that memo. was right.

Q. On January 20 the Auditor General objected to the giving out of this contract as by Order in Council of January 15, because he claimed it was not the same contract and that you should call for new tenders; now, you answered to the Auditor General on February 3? A. The letter was referred to me.

Q. On February 4, the next day, the Deputy Minister wrote to the same effect to the Minister. On February 7 you wrote to the Chief Engineer and asked him to prepare plans for a concrete dam. On February 20, 1909, you decided to make the change on the same day a memo. is addressed to the Minister to that effect, and of March 13, the memo. of the Council grants the change and gives the work to Kirby & Stewart? A. Yes.

Q. Apparently for the sum of $108,050? A. Yes.

Q. Then, this contract of March 13 was given out with a perfect knowledge of all the objections that were raised by the Auditor General? A. Oh yes, it was. I explained that as a general principle I was in favour of calling for new tenders every time we had a change, but I further explained that there was a question of agreement.

The CHAIRMAN.—That is explained in your memorandum?

Mr. ST. LAURENT.—Yes, and gentlemen, I hope you don't believe I stated anything in my memorandum that was not a fact.

The CHAIRMAN.—You gave your opinion, that was all.

Mr. ST. LAURENT.—Yes.

By Mr. Ducharme:

Q. In May, 1909, Kirby & Stewart visited the place where the dam was to be built? A. I do not know anything except having seen that in a report.

Q. Personally, you know nothing about it? A. No, the engineer would know.

Q. Personally do you know they began their work in June? A. I cannot say, I did not follow these details.

Q. The concrete dam that you decided to put in place of the wooden dam was to be built the same height as the other dam? A. I never looked at those details, I had no occassion to. The plans are transmitted by the Chief Engineer, and as to the construction details they do not come before me.

Q. I am referring to your testimony; in your testimony you answer to this question of the Chairman that the thing developed itself as it went along and finally it was decided that the dam should be higher on account of the Georgian Bay Canal. When you came to the decision that the dam should be higher was it when you made the change or afterwards, because your answer is not quite clear?

By the Chairman:

Q. When you decided to change to concrete, did you at that time decide to make it higher or was the decision to make it higher a subsequent matter? A. I do not think I considered these details. It came up afterwards that it would be well to have the deeper water for storage.

Q. And you explained that your original idea for changing the dam was for storage purposes in the Ottawa? A. Yes.

Q. Then you changed from wood to concrete, and then it occurred to you or somebody that by raising the height of the dam the water could be used in the Georgian Bay project? A. Yes.

Q. Now, would that water be any advantage to the Georgian Bay project if the dam had not been raised the extra number of feet? A. To some extent.

Q. But to no considerable extent without raising it? A. Mr. Brophy proposed to raise it five feet, if I remember well, and Mr. Coutlee, in discussion, proposed to raise it twenty feet. Mr. Coutlee will be able to give the exact figures. That would be four times as much water that would be conserved under Mr. Coutlee's project to build the sluiceways with stop-logs for higher reserve.

Q. The wooden dam as it was tendered for, would it have had any effect on the Georgian Bay project? A. Yes, to the extent of the five foot storage, which gave several hundred million of cubic feet for reserve.

Q. Reserve for the Ottawa, but would that reserve be available to the Georgian Bay Canal too? A. Yes, in the same way as the larger quantity but to a less extent.

Q. You mean that if you are using this water for storage purposes on the Ottawa river you must, at the same time, use it for the Georgian Bay project? A. Yes.

Q. Would not that take away from the Ottawa river? A. Yes, but the water-power interests and the navigation interests dovetailed. During the period of low water the water-powers are affected as they have not enough water. And it is exactly during that same period that the water is lower for navigation, and so the water supplied to the water-power interests would raise the level of the water in the river to a certain extent, according to the quantity that you would let go from these reserve lakes. If you let go 20,000 or 40,000 cubic feet per second then you raise the water level for navigation so many inches, and according to the water that is let out during the low period then you increase the power to that same extent too. If at low water they have got a flow of only 12,000 feet and if by the reserve we can augment that flow to 18,000 or 20,000 or 25,000 according to the depth of storage we believe that the users of water-power will benefit that much and that the navigation is benefited in the same relation because we have a few inches more.

By Mr. Ducharme:

Q. Were you the person who ordered that new plans should be prepared for the dam? A. The instructions came through the Chief Engineer, to Mr. Coutlee.

Q. Who gave instructions to the Chief Engineer to prepare the new plans? A. Well I think I did, at least I showed him the memorandum.

Q. Would you remember if you gave those instructions? A. I would remember only by referring to it.

THE CHAIRMAN.—On February 10, Mr. St. Laurent asked the Chief Engineer to prepare plans and specifications.

By Mr. Ducharme:

Q. At that time, was the location changed? A. Oh no. There was no change in the location then. It was only when Mr. Coutlee arrived with his plan that showed the new location and the new section. After Mr. Coutlee investigated and prepared these new plans for the concrete dam then he changed the location itself; he was not ordered to change it; that change took place in due course on his work.

Q. About what time would that be? A. I cannot say.

Q. I suppose Mr. Coutlee will tell us when he made the change? A. Oh yes, he knows better than I do about all these details.

Q. Were you ever there yourself? A. I was at Temiskaming only once when the question of the difficulties in connection with the coffer damming, and I wanted to see for myself the condition of the bed of the river, and the difficulties they had to contend with and I went to see them.

Q. Did you see the island there? A. Oh yes, I went on the island.

Q. Can you tell me how much above the water the island is? A. I see from the plan that the elevation on the island is 5.94, and the low water would be 5.17; that would be 21 feet.

Q. What kind of work was contemplated on the island? A. Do you mean according to the new plan?

Q. The work that is going on? Is there work being done on the island? A. Yes, there is work being done but I cannot say if it is going on now. I cannot say if it is continuing now, I think the embankment has been completed.

Q. In your testimony you say that the reason why you did not want to ask for new tenders in February was because you were in a hurry? A. That was one of the reasons.

Q. You say that on the 10th of February. Are you aware that on the 22nd of December previous Mr. Kirby had already declared as is contained in these documents, that he could not do the work during the winter, and in fact did not you yourself write to that effect?

The Chairman:

Q. I drew the attention of the witness to the correspondence and I quoted it.

Mr. St. Laurent:

Q. Is not that in connection with concrete in the winter?

Q. In the letter from Mr. St. Laurent to J. R. Booth, of Ottawa, December 22, you say that it is an utter impossibility to build the dam this winter, that the contractors would not take the risk, that there is no difference deferring the work until the spring, and that it should be built of concrete. Now, delaying the new plan would not change conditions. That is what you wrote on the 22nd of December, 1908? A. That was all right, it would not change the condition. I knew they could not build the dam. That refers to the dam itself, but there are lots of preparatory work they could do during the winter. They could do excavation and the cutting of their timber. They have been getting the timber during the winter.

Q. As a matter of fact, is it not true that Kirby & Stewart only began their work in June, 1909? A. I cannot say.

THE CHAIRMAN.—That is true.

By Mr. Lake:

Q. Do I understand that on the 22nd of December you were thinking of changing the dam? A. I remember that now. I wrote a letter to Mr. Coutlee asking his

opinion about it, but I had not made my recommendation, and I had not made up my mind.

Q. I was asking you if you had not talked before the Order in Council passed of making the change and you admit you wrote the letter on the 22nd of December? A. As I have been saying before that thing was on my mind for quite a time before I decided to make a final recommendation. That thing had been working on my mind all the time and of course it is quite a step to take. There is a difference between having something on your mind and deciding to take the final step.

Q. You say they made a mistake about the formation of the bottom of the river? A. Yes.

Q. When did they find they made that mistake? A. They found the mistake about not having solid rock there when they made that investigation for the new plans.

Q. About when would that be? A. I cannot remember the date.

Q. Would it be winter or summer? A. Mr. Coutlee will be able to tell that.

Q. The new plans were ready on the 12th of July, so that it must have been before the new plans were made? A. Yes.

Q. They took some time to make the new plans? A. Yes. The borings are shown on the new plan, but I cannot say whether they were made in the winter or in the spring, or when. Mr. Coutlee will know that.

Q. Do you know about the value of excavation? A. Well, I know a little, I have not been in touch with excavation work for the last four years.

Q. You would know about the value of excavation? A. Yes.

Q. Don't you think thirty cents a yard a ridiculous price for common material there? A. We often have tenders for that price for common material.

Q. Was it you who made the new specifications? A. No.

Q. In the Department, in a general way, was not the question of this Timiskaming Dam being discussed among the employees? A. That is a hard question to answer, my impression is that it was being discussed.

Q. Would there not be discussion in the Department about the manner in which the contract was executed and the delays that were occurring? A. I think the question of delays came up; I must have brought up the question of delays myself.

Q. And the question of cost? A. There would be, of course, the question of the ultimate cost but, of course, I cannot tell exactly what the others said about it.

The CHAIRMAN.—I do not think that is evidence. I am afraid I will have to rule out that question. It is of no value to anybody what people were talking about.

The WITNESS.—Really, I cannot say what they were talking about.

By Mr. Ducharme:

Q. When the new plans were made, did you as a fact know that the dam would cost more than had been at first estimated? A. When the change from wood to concrete was made, new quantities were taken and the cost was stated in the Order in Council on these quantities at $108,000; after that these new plans came and I think the cost was placed at $176,000.

Q. When you used the expression that at the time the change from wood to concrete took place and new quantities were taken you mean that they were not taken on the ground but that the quantities of concrete were taken from the old plans? A. Yes.

Q. After you got the plans and specifications and saw where you were going to put the dam, the price of Kirby & Stewart went up to $176,000? A. I remember perfectly when the question of settlement came up I told the Deputy that we had mentioned in the former Order in Council that the concrete dam would cost so much, and in this new Order in Council that we could mention what we thought it would cost now, in order that the Council would know that the first information was at sea, because it went beyond what we expected or what the Engineer expected anyway.

I remember perfectly making this point to the Deputy Minister that it was important to show that in the cost. We had mentioned that the concrete dam would cost $108,000, and when the next Order in Council came, I said: we must repeat that again and show what it costs with the new quantities to show them the comparison, and the Deputy said, that is right.

Q. That was to call the attention of the Minister to the increase in cost from $108,000 to $176,000? A. I said it was important to put that in.

Q. At the same time you got new specifications prepared? A. After the Order in Council for the change from wood to concrete, we made a recommendation that it would cost about $108,000 based on the quantities given, and after the new plans were made the contractors went on anyway, and when the occasion of the new Order in Council came to pay the contractors for unwatering, I called the attention of the Deputy that it was important to show that in our previous report we had mentioned that the concrete dam would cost $108,000, while now it had gone much beyond that, and it was important to show the two in comparison so as to advise them that our first estimate was too low.

By the Chairman:

Q. Your memo. authorizing the change to concrete, was dated 20th February, 1909. There was no other memo. to Council about the matter until the 10th of November, 1910, when you were talking about housing and heating, so there was no memorandum to Council with reference to the location and the second increase to $176,000 at the time that change in location took place and the work was commenced. Answer yes or no. A. I do not think there was at that time.

Q. As a matter of fact we find that it was not until the memo. dated 4th January, 1911, from the Minister to the Committee of Council that any mention was made of the increased price consequent upon the change of plans. As to location, you go on there to say in the memo. of the 4th January:

> "The tenders received, based on the amended quantities and unit prices are now revised as follows, Kirby & Stewart, approximately $176,000.

There was no mention before that? A. Probably because the Engineers themselves did not know it was to cost so much before that.

Q. You say now that you told the Deputy Minister that Council ought to be advised? A. That was when the Order in Council was under way.

Q. That is on the 4th of January, 1911, or nearly two years after the location and when the greater part of the work had been already carried out? A. Not the greater part of the work.

Q. Well, all the Ontario dam had been built and a great deal of coffer damming on the other side? A. Yes, and difficulties arose.

Q. The location had been absolutely settled then? A. Yes.

Q. So far as a written memo. to Council you convey no information about that increased cost to Council; it was only brought to the attention of Council long after the expenditure had been undertaken? A. Oh, yes.

Mr. LAKE.—And, in the meantime, no memo. had been presented to Council?

By the Chairman:

Q. In the meantime memos. had been presented to Council which made no mention of the increased cost? A. I do not know that the engineers knew at the time it was going to cost so much.

Q. Oh, yes they did. In November, 1910, they knew from the quantities of the new location that it would cost more than $108,000, which had been calculated in the winter of 1909, because it was on the new quantities of the new location that the estimate ran up to $176,000? A. Yes, the question as to whether the Privy Council should have been advised.

Q. I did not ask you whether they should have been advised. I am asking you whether they had been advised.

By Mr. Ducharme:

Q. I mean to say when you got the plans prepared you knew the work would cost more than $108,000? A. I do not know when the plans were prepared.

Q. When the plans were prepared and put before you, you knew that it was going to cost more than $108,000? A. That is a thing I cannot answer positively, because the estimate, if one was made by the Engineer, was sent by the Engineer, to the Chief Engineer.

Q. How could you tell the Minister, that instead of $108,000 it should be $176,000, how did you find that out? A. That came with the question of allowing something to the contractors for coffer damming. You see the Engineer was made to say what quantities were involved in order that we might report to Council that it was going to cost much more than anticipated.

The CHAIRMAN.—I think you are mistaken there.

By Mr. Ducharme:

Q. The location of the dam was changed; it was decided to put one dam in the Ontario Channel at the lower end of the Island and on the Quebec side at the higher end of the Island. This change of location made a change in the dam and so forth; did not you know then that it was going to cost more? A. I do not know that I considered that question then.

Q. As a matter of fact, did you not know it would cost more without taking any measures to consider it? A. I probably thought at the time that it was going to cost more but that it was based on unit prices.

Q. Why were new specifications made? A. Because it was different kind of work.

Q. And being a different kind of work it would cost a different kind of price? A. No, the prices were to remain the same.

Q. Not if the foundations were going to cost more on account of the height of the water? A. At the time these plans were presented, I did not know myself at what depth they would have to go.

Q. Did you know the change of location was made when the plans were prepared? A. After, when the plans came I knew; perhaps not during the study, because I was not looking at the details.

Q. You knew nothing about the plans until you saw them on July 12? A. No, I had not seen them before.

Q. You never knew that the department was making plans for a change of location? A. I knew because instructions had been given, but I mean to say that I did not see the plans showing the change of location and new conditions until they were presented.

Q. If you knew of the change of the location of the dam surely you would be able to tell us why the change was made? A. I cannot tell the reasons of the Engineer.

Q. You do not know why they changed the location of the dam at all? A. I do not know why the Engineer changed it.

By Mr. Lake:

Q. It was Mr. Coutlee who made the change and he will be examined? A. Yes.

Mr. DUCHARME.—I think the Deputy Minister should know the reason?

Mr. LAKE.—One would think it ought to be reported to him.

The WITNESS.—Mr. Coutlee may have told me of some idea of changing the location during the progress of the work.

The CHAIRMAN.—I notice that on December 3, 1910, you wrote a letter to Mr. McGiverin, M.P., referring apparently to a meeting concerning Kirby & Stewart's contract; do you remember Mr. McGiverin speaking to you about it? A. Yes, Mr. McGiverin came into the office with Mr. Kirby.

Q. What was the object of his visit? A. It was to discuss that matter of claim of the contractors.

Q. What matter of claim? A. He accompanied the contractors to my office when they came, when the Minister had told me to investigate.

Q. The Minister had told you to investigate what? A. Their claim. In my evidence I said that one day I was called into the Minister's office and Mr. Kirby and Mr. Stewart were presenting a claim in connection with their contract and the Minister referred the matter to me, and it was arranged that when I would be ready to discuss the matter they would be called to my office and they came with Mr. McGiverin.

Q. Mr. McGiverin's calling upon you to support the claim of Kirby & Stewart would be part of the proceedings which you have given in your previous evidence, and which wound up with the letter from Mr. Coutlee, dated the 13th December, and after that ended in a memo. from the Minister to Council? A. Yes, that would be part of the proceedings.

By Mr. Ducharme:

Q. It was all during that month of December, 1910, you were discussing the whole matter? A. Yes, Mr. Coutlee was present at the meeting. We had discussed the matter personally and Mr. Coutlee was present at the meeting.

Q. Messrs. Kirby & Stewart produced a copy of a letter of yours dated March 19th:

> "I have to inform you that the concrete dam has been awarded to your firm at the rate provided in the schedule list of prices."

Do you remember writing that letter? A. Yes.

Q. In this letter you drop away altogether from the lump sum and you say the unit prices? A. Yes.

Q. And the dam was to be built of concrete instead of timber? A. Yes.

Q. That was on the 19th of March, 1909? A. Yes.

Q. You wrote this:

> "According to new plans which are now being prepared. Of course it is understood that your price of concrete per yard as stated in your tender and the sum mentioned for unwatering, is to cover all coffer damming which you require to build the dam."

—you wrote that? A. Yes.

Q. In your own letter you speak of new specifications, and on the 19th of March you wrote to Messrs. Kirby & Stewart about their getting the contract that changed all the dam from wood to concrete with the new plans and the new specifications? A. I think the new specifications are attached.

Q. I asked you if there were new specifications prepared and you said you did not know? A. I never said that. We were bound to have new specifications presented at the same time. In your letter you say that as soon as the plans and specifications referring to the concrete dam will be ready, the contract will be presented for signature. When the contract was presented for signature in July, 1909, the new specifications had been prepared.

The CHAIRMAN.—It is attached to the contract.

The WITNESS.—I cannot say anything about the signature of the contract. I had nothing to do with it. The new specifications were attached to the contract.

By Mr. DUCHARME.—I asked you whether before the contract was signed, there were any new plans and specifications, and you would not admit that? A. I beg your pardon, I must have misunderstood you.

Q. I want to know if when you changed the plans of your dam and raised it much higher and knew there would have to be new plans and specifications, you had then new plans and specifications? A. When the contract was signed the plans and the specifications were there.

Q. Then you thought it necessary to make new specifications? A. From the beginning, of course.

Q. Then if it was necessary to make plans and new specifications, was it not, as a matter of fact, just that there should be new tenders asked for? A. Well, the new specifications were necessary in connection with the different character of the work. As to my opinion as to whether it was necessary to call for new tenders, I say that as a general principle I am always in favour of that, but I have stated the reasons why I thought that in this case we were in honour bound to give consideration to Kirby & Stewart, because they had been told to go ahead in the first place, and in the second place they were the lowest tenderers.

The CHAIRMAN.—We have gone over that two or three times. As to whether new tenders should not be called for is a matter of argument and opinion, and you cannot give evidence as to that.

By Mr. Ducharme:

Q. Have you any knowledge of any pour parlers with the Government about purchasing the land from the Ontario and Quebec Governments? A. Yes, I think we applied for some land, and I think somebody in the Engineer's Office went to Ontario and went to Quebec to see about the land there.

Q. What was that land required for? A. Because the bed of the river on the Ontario side belongs to the Provincial Government of Ontario, and on the Quebec side it belongs to the Provincial Government of Quebec.

Q. Did you know that before started to do the work and gave out the contract? A. I knew that the bed of the river belonged to the Provincial Governments.

Q. Would the Deputy Minister know it also? A. I think so.

Q. How is it that you came to give a contract to build the dam upon property that was not yours before you ascertained how, and on what conditions, you could get the land? A. We had several conferences in connection with this with the Ontario and Quebec authorities, as to the land we required for our dam, and finally it was agreed in connection with the Timiskaming that we should go ahead.

The CHAIRMAN.—Mr. Ducharme is saying that all that took place after you had commenced to build the dam, and Mr. Ducharme is asking you if you can give any reason why the negotiations to take the land did not commence before you undertook the work? A. I do not know about that.

By Mr. Ducharme:

Q. It was known at the time that you would require that land? A. That we would require the site, yes.

Q. Now, Mr. St. Laurent, your Engineer's estimate of the first dam was $80,000? A. That was the Chief Engineer's estimate.

Q. And you say that the rapidity of the current would naturally increase the cost of the coffer damming? A. Yes, sir.

Q. Do you really see it would increase it very much? A. Yes, on account of the greater difficulties. The coffer dams are built by sections, they are brought in and floated in place and sunk there. Of course the bringing in of cribs in a very swift current is difficult and it is hard to get them at the right place, and the filling in is much more difficult because they have to get in scows and the swifter the current the greater the difficulty is, and the greater the cost.

Q. Do you think there would be much difference? A. All this is relevant to the quantity of work to be done, and the extent of the difficulties in connection with the work.

By Mr. Lake:

Q. Taking the old and the new locations, I think you said that you considered the new location would necessarily be a more expensive business than to build the dam on the old location? A. Yes.

Q. Would that necessarily be the case, taking all the circumstances into account; you had two channels there and you might use one while you were building the other. From the very beginning was it a more expensive business to build on the new location than on the old? A. I did not enter the details of that, but my impression is that it would be more difficult on account of the condition of the current at that place; that is merely my opinion.

Q. You wrote to Kirby & Stewart on the 8th of September, 1909, saying that they were not making good progress on their contract, and ordering them to employ a large force and complete the work as soon as possible; how did you know that? A. From the report of the Engineer.

Q. Were you then satisfied with the contractors and their work? A. You mean to the progress of their work.

Q. Yes. A. As to the progress I was not satisfied, certainly. I said that before.

Q. Do you think they should have made quicker progress with their work? A. I think so.

Q. Had you occasion to make the same remark later on? A. Yes. I testified that all the time I thought that the progress was not satisfactory. Whether that was due to difficulties encountered or not I do not say. Our experience showed that a good deal of that delay was probably due to difficulties.

Q. The dredge *Queen* was sent on the work? Yes.

Q. Why was it sent there? A. It was sent there to enlarge the channel on the Ontario side so as to pass more water there to bring the channel to the level of the sluiceways.

Q. On account of the dam being moved further down? A. Not necessarily—it was sent there because there was lots of excavation to do that was not included in the contract and we decided to do it with our own dredge *Queen*.

Q. The *Queen* was there to do the Government work and not the contractor's work? A. Not the contractors?

Q. Not the contractor's work? A. Not the contractor's work.

Q. You received a letter from Mr. Coutlee dated the 13th December, 1910, wherein he says: The contractors began work during 1909, but only signed their contract on July 22, 1909; the contractors had been on the work since the end of May; plans not submitted until June, very considerable change in the plans adopted, he argues there very strongly that bulk price, $4,000 for unwatering in original plan not contemplated for work really done, recommends Department should assume risk and build coffer dam in Quebec Channel, he gives the estimate cost of the coffer dam at $20,500. When you read that letter from Mr. Coutlee did not it strike you that that letter was strongly in favour of the contractors ignoring completely the arrangement arrived at with the Government; did not that strike you? A. That it was strongly in favour of the contractors?

Q. Yes. A. No, there were difficulties they were encountering in connection with the coffer damming.

The CHAIRMAN.—He has already explained that letter was written after consulting with the Minister for the purpose of making out the claim they had decided should be allowed.

The WITNESS.—We discussed all these on instructions from the Minister.

By Mr. Ducharme:

Q. You got a report from Mr. Perrault showing the cost of the dam at $108,582? A. That is based on the quantities for concrete. He was asked what would

be the quantities for a concrete dam in accordance with the plan he had prepared, and supposes the cribwork was replaced by .... concrete, and he gives an estimate on that and that alters the estimate from $80,000 to $108,000.

Q. Where did he take these quantities? A. He took them in Ottawa, I suppose. I presume he took them in his office here in Ottawa from the original plan which he had. I cannot say myself what he did to give these quantities.

The CHAIRMAN.—Please look for the memo. and for the data which you may have in the Department showing how you made up the $176,000, that you refer to later on in making the memo. to Council. You said on the quantities it would be $176,000; you must have some memo. about that? A. I think some quantities were given by Mr. Coutlee.

Q. Then you would have a memo. of that calculation? A. There must be.

By Mr. Ducharme:

Q. The contractor knew in June where the dam was going to be put, when he started to work? A. He knew, of course at the time he signed the contract because he had visited the site. He was there in May I believe and commenced his work in June.

Q. You should be able to find out at that time how much the dam was going to cost?

The CHAIRMAN.—He will get that information about the $176,000 and bring it down to us.

By Mr. Ducharme:

Q. There is no mention of the $176,000 in the papers we have until January, 1911, when this memo. was passed? Did Kirby & Stewart do any excavation outside of the excavation provided by the contract? A. That is a detail I cannot give.

The CHAIRMAN: Mr. Coutlee will give us that information.

By Mr. Ducharme:

Q. We have here a memo. from Mr. Steckel on the 19th of March, who is he? A. He is an Engineer that has been employed in the Department for a great many years and he was employed in the preparation of estimates up to last year, when he was superannuated, and replaced by Mr. O'Brien, who now does Mr. Steckel's work.

Q. Who is Mr. Chasse who endorsed the new plan and specification? A. He is the Law Clerk of the Department of Public Works, according to law I think he has to sign all contracts with the Secretary and the Deputy.

Q. You called for tenders for excavation? A. Yes.

Q. Did you do that work yourself? A. We started doing it, but there is not one-half of the material taken out yet.

By Mr. Lake:

Q. Do you have a form of contract for a bulk sum and also for unit prices? A No, it is the same form, the contract applies to both.

Q. I notice that this document before me is marked: "Contract for bulk sum." A. Yes.

Q. And you say that the same form of contract is used for either unit prices or for bulk sums? A. Yes.

Q. Then what is the use of putting that endorsement on the contract? A. I presume it has been printed a long time ago; that is a detail about which the Law Clerk can give you information.

Q. Take this contract which was signed on the 22nd of July after the new location had been decided upon and new plans and specifications had been decided on, and the sum agreed upon was $108,050, why were these words added to the clause: "A

concrete dam bulkhead across the Ottawa River at the head of the Long Sault and near Timiskaming Station on the C.P.R., in the township of Gendron in the province of Quebec, at unit prices mentioned in the annexed schedule of an approximate total sum of $108,050 of the lawful money of Canada." A. That was added by the Law Clerk as based on the Order in Council which he had.

Q. But at this time you must have known that it was going to cost a great deal more at unit prices? A. At this time I could not say it would cost more. This amount was based on the Order in Council which had been prepared on the quantities given by the Engineer.

Mr. CHAIRMAN: In the previous March? A. In the previous March.

By Mr. Ducharme:

Q. And for a concrete dam based on the plans of the wooden dam? A. Yes.

Q. Yet having altered the location to a more costly place, having altered the plans and specifications, that amount appears as the amount for which the contractors bind themselves to build the dam, is not that so? A. It does appear in the contract.

By the Chairman:

Q. On the 22nd of July, 1909, after, as Mr. Lake has pointed out, the location had been settled and all the plans and specifications made, did you not at that time know what the cost of the dam would be at the prices Kirby & Stewart were to receive applied to these new specifications? A. I did know as a fact what it would cost ultimately.

Q. You did not make the calculation? A. No.

Q. And up to that time, so far as you know, the calculation had not been made? A. So far as I know I do not remember any calculation being made there and then by the Engineer.

Q. Up to that time? A. Up to that time.

By Mr. Ducharme:

Q. At that time could it have been made? A. Yes.

Q. Could there have been made at that time a calculation based on the quantities shown in the plan and the prices named? A. The assumed quantities.

Q. The quantities shown on the plan? A. Yes.

Q. It could have been made and it was not made? A. The estimate was made later and turned out too low.

Q. Not because the plan was changed, but because new alterations were made later? A. And more difficulties unforseen.

Q. And there were new alterations? A. Yes.

Mr. LAKE: I am doubtful still whether this sum has been put in.

The CHAIRMAN: He says that up to that time it was the only sum that had been calculated. Up to the time the contract was made at $108,050, it was the only sum that had been calculated.

By Mr. Lake:

Q. Is that so? A. Yes. About the making of these contracts they don't come before me.

Q. Who would draw that contract out? A. Of course the contract after it is prepared by the Law Clerk is taken to the Deputy Minister so that the plans may be signed.

By the Chairman:

Q. Whose is that writing there, is it the Law Clerk's writing? A. It is either the Law Clerk's or his clerk's.

By Mr. Lake:

Q. After the Law Clerk has made out the contract does it not come before the Engineer at all? A. They are sent to the Engineer for action to be taken. Some of the contracts when they are prepared wait a long time for signature. Whether this waited a long time or not for signature, I cannot say. Sometimes they do. That would explain some delays in signing.

Q. What I want to know is this. When the Law Clerk was instructed to draw up the contract, do I understand you to say that no technical man looks at the contract to see it is drawn out in proper form from the technical aspect; does it simply go from the Law Clerk straight to the Deputy? A. To the Deputy Minister to sign.

Q. I notice among these specifications which are attached to the contract here, there is a special reference to unwatering. There appear to be two specifications here and neither one of them is dated, both of them are signed and neither dated. I notice that special reference is made to the unwatering and it is stated that the contractor is wholly responsible for the damage from freshets and other causes at his own cost and expense? A. That is practically in all specifications and contracts.

By Mr. Ducharme:

Q. Are those words there merely as a matter of form? A. They are pretty severe clauses and very often these matters are judged in equity.

The CHAIRMANN.—They appear to be more honoured in the breach than in the observance.

By Mr. Lake:

Q. You mentioned that the sum of $4,000 struck you as being a rather small sum for the unwatering? A. Yes, it was rather small in my opinion.

Q. Are you in the habit in the Department of accepting the lowest tender in every case? A. That is the general rule in every case.

Q. You do not take the trouble of inquiring into the standing of the contractors or whether they are able to carry on the work or not? A. That has been done, to my knowledge last year and two years ago.

Q. But in this case you were satisfied? A. In this case I do not know that it was done. I do not know it was, I don't think it must have been done. Of course I am responsible to the Deputy and to the Minister.

By the Chairman:

Q. When the original tenders were put in and you saw the amount for unwatering varying so very largely in the various tenders, did your Department or you make up any calculation as to what in your opinion the unwatering and coffer damming would cost? A. Not me.

Q. You don't know if anybody else did? A. No.

By Mr. Lake:

Q. In a case like this where a man has apparently made a very small tender for the unwatering and he finds he is going to lose money on it, is it the practice of the Department to come to his relief, has that been done in cases which you know of before? A. There have been cases. I could hardly point out from memory, where claims have been referred and the matter has been considered in equity when it has been evident that the contractor was losing, that certain clauses of the contract which dealt with the legal point of view of the language, were laid aside and the matter was considered in equity.

By the Chairman:

Q. Do you recall any particular case in which an extra sum had been allowed to a contractor for a special service in relation to which he had been particularly

warned that that amount was to cover the service? A. I do not remember any particular case, but circumstances have been altered on account of the natural conditions.

Q. The circumstances were not altered in this case, after they signed the contract in 1909? A. They were to that extent.

Q. To what extent? A. To the extent that the difficulties for coffer damming proved to be much greater than anticipated.

Q. You did not anticipate that at all because there was no such thing as anticipating what was under water, he took the risk and you notified him that he was taking all the risks and that he would not get any more, and at that time he knew where the location of the dam was and could see for himself, and he visited the ground, and that was a risk which he took? A. You have to take my word about it, you know that the difficulties as anticipated were not as great as they turned out to be.

Q. Anticipated by you? A. By me or the Engineer.

Q. How did you know what the contractor anticipated? A. Oh, I did not know, I am not speaking about the contractor at all.

By Mr. Lake:

Q. What strikes me in this case is that it was mainly on account of the very low sum he put in for unwatering that his tender came to be so much the lowest of the whole lot? A. It was on account of the unwatering, I think, and his low price for excavation.

Q. Having obtained the contract, because he put in such a low price for these two, is it fair to the other tenderers that he, after the contract had been signed, and had agreed on these prices, should have received special consideration from the Department and get much larger prices than he contracted for? A. Well, that is a matter of consideration. The point of view I would take is that there was competition and that they were the lowest in the competition, and that gives them such consideration.

By the Chairman:

Q. Mr. Lake has pointed out to you, and as events have shown, and as your own judgment might have shown at the beginning, that they were the lowest because they put in for unwatering an absurdly low amount which never would have been sufficient for the coffer damming and unwatering of that dam, whether it was wood or concrete, as you yourself have pointed out in the evidence? A. I did not say absurd.

Q. Even supposing that you did not, the facts which you have related show that it was absurd? A. It was very low.

Q. Yes, very low, Mr. Lake says that they managed to be the lowest tenders because they put in a sum so very low that it was not reasonable at all for unwatering, is it fair to the other tenderers for you to never give them any look in but to pay this original tender upon a much higher rate? A. I think I considered it fair and that is the way I recommended. I considered it fair because they had been told to go ahead and because they were the lowest——

Q. You considered it fair for the reasons you have given in your evidence? A. Yes.

Q. Let me ask you this question about the plans—Where a tenderer for a large public work becomes the lowest tenderer because he puts in an altogether too low sum, so low that examination would have shown it was absurdly low, do you consider it good practice for the Department to accept the tender simply because it is the lowest? A. No, sir, I do not consider it good practice, but it is the practice.

Q. As a matter of fact, under good practice, the Department ought to form an idea as to whether the tenderer can reasonably do the work for the price which he is claiming? A. Yes.

Q. That ought to be the rule in good practice? A. Yes.

Q. If you follow the practice in the Department of giving to the lowest tenderer, then very frequently claims for extras, and extra consideration, and all that sort of thing are made and have to be adjudicated upon by the Department? A. Certainly, in my opinion, I am not in favour of the lowest tender being accepted in every case unless it commends itself to the judgment of the Department as being near the thing. It is a matter of policy, but in my judgment it is not the best policy.

By Mr. Lake:

Q. Have you known of many cases where a contractor has put in a very low tender and has made a claim afterwards to the Department that he is losing money by carrying it out, and in which the Department has insisted on his going on with the contract and losing the money and has refused to come to his assistance? A. No, I cannot point to any such case.

Q. You cannot remember any such case? A. When the Department has refused to come to the assistance of contractors that were really losing money, I cannot point out any case.

Q. Do you remember any case in which the contractor has returned money to the Department, upon the ground that he has made too much on the contract? A. Oh, no.

The CHAIRMAN.—It is a case of heads you win and tails I lose.

A. I suppose it is.

By Mr. Lake:

Q. Are there many cases where the contractor has been returned his deposit when he has to withdraw from his contract because he was losing money? A. Well, I might point to the Andrews Rapids Lock Case, although I do not know if it was entirely similar to this, but this is what took place. The contract was given to Kelly, who were the lowest tenderers at the time. They went to work and they delayed and delayed and tried to have some change made. The lock and dam were to be built of concrete and they were trying to have a change made from concrete to limestone.

Q. The contractors were trying to have the change made? A. Yes, and the change was to be made at a very much higher price. I remember the matter coming up during Mr. Tarte's time, and it was referred to me, very often for a report and I always reported against the change from concrete to limestone, because I considered that good concrete was better than the limestone they had out there and that therefore the extras the contractors were asking were out of all proportion and not reasonable. Anyway, my reason of refusal was that concrete was better than limestone. They did not succeed to have that change made and finally the contract was taken out of their hands and a board was appointed consisting of the Deputy Minister of Public Works, the Chief Engineer, and Mr. Brophy to try to settle the case, on whatever the contractors had done and take over their plant. That Board met and they got the contractors together and finally they made an award and the contractors were paid for whatever work they had done, and the equipment was taken over, just the same as we have taken over the equipment in this case, and ultimately we paid them something when the settlement was made. That is a pretty similar case.

Q. There, the deposit was returned to them? A. I cannot say positively, but that is my impression.

Q. You cannot remember any case of a deposit being forfeited because of the failure of the contractor to carry out the work? A. I cannot point out any case but my impression is that there may be such cases.

Q. In regard to the dam now being constructed I notice that on the 12th of July you stated you desired to change the design and to give a larger opening; you had again changed your position there? A. That was on the representations made by the lumbermen, they thought they should have a larger opening for the passage of their logs on the Quebec side. I know that the Engineer recommended a change there that the opening be left at sixty feet instead of twenty feet for the passage of the logs because last spring the logs jammed on the Ontario side at our sluices.

Q. Then it is fortunate that you did not go on and get the new dam constructed on the old plan? A. There are further recommendations made, the Engineer has also recommended more sheet piling in addition.

Q. In a letter of the 29th December, 1910, Kirby & Stewart refer to a considerable amount, part of which is not on the files at any rate, so far as we can see. Do you think that that correspondence is in the Department? A. I do not know, I was not there when the files were sent.

Q. There is one letter in which they state that before the 28th of December they had already——? A. That would be with the Engineer, I know there was lots of correspondence with the Engineer.

Q. This letter is addressed to yourself and is dated December 28, 1908, and although there is a quotation from it here I cannot find that letter. They go on to say:

> "At the date of this letter, we had been verbally informed that our tender would be accepted, and although it had not formally been accepted by the Department, we had gone on and contracted for timber and plant to the extent of over $20,000."

I notice several gaps, apparently in the file; if you can come across any other files on the subject will you let us have them? A. Some of the correspondence may be with Mr. Coutlee. There was considerable correspondence, but I will look it up again and see if I can find any more.

By Mr. Ducharme:

Q. When you are ma king a coffer dam, as you did at Timiskaming, where it is that date to complete the coffer dam on the Ontario side of the river. Suppose they began on the 15th of June they would have July, August, September, October and November, that is five full months, to do their work; was that ample time? A. On the Ontario side only?

Q. Yes. A. Yes, they had ample time because the coffer dam on the Ontario side was not very extensive. I think they made an earth coffer dam there.

Q. When you are making a cofferdam, as you did at Timiskaming, where it is divided in two sides, which side should be taken first, don't you think it is the widest and most difficult side that should be commenced on? A. In this case the best side to begin with was the side that could be dry at low water, excavate this part, increase the passage at low water so that the sluiceways are able to let more water pass through and relieve the other side. That was the idea in this case.

Q. You would have made the excavation lower than the bottom of the river on the other side? A. All the river had to be excavated to the level of the sluices. The sluices there were laid below the natural bed of the river and the idea was to increase the passage there and relieve the Quebec side.

Q. From what you tell me, where the dam is built on the Ontario Channel the water is deeper there than it is at the head of the island on the other side? A. The most difficult channel and deep water was on the Quebec side.

Q. For the first dam, but not for the second dam? A. For both locations. There was a little more water for the first on the Ontario side but the extra depth of water

was so little that it was easier to commence there. Mr. Coutlee is well *au fait* with the details.

By Mr. Lake:

Q. How long have you been actually in the inside service of the Department in Ottawa? A. Since 1908, but I have been in the Engineering Service at Winnipeg and Ottawa since 1889.

Q. You only came to Ottawa in 1908? A. I came down to Ottawa in 1908 from Winnipeg.

Examination of Witness, Mr. St. Laurent, closed.

OTTAWA, TUESDAY, January 23, 1912.

CHARLES DOUGLAS, sworn.

By the Chairman:

Q. You are employed in the Auditor General's office? A. Yes.

Q. You have been lately paying some attention to the claim of Kirby & Stewart connected with the Lake Timiskaming Dam? A. Yes.

Q. Examining the claim which they put in for the work done by them on that dam? A. Exactly.

Q. You have completed your examination of their books and accounts? A. Yes, of their books and accounts.

Q. Have you made a written statement yet? A. No.

Q. I find in the official files a statement by Kirby & Stewart, dated October 19, 1911, in which they claim a sum of $225,941.77 as a balance due to them? A. Yes.

Q. You have had that account before you in considering this matter? A. We examine the vouchers on it.

Q. What amount have you concluded is due them? A. Well, we arrived at no definite decision at all; we satisfied ourselves that the amount that was claimed for the coffer dam was fair and reasonable and also that the cost of their plant which was examined I believe by Mr. Griffiths, that he would accept that. With regard to the rest of their claim, there was no definite decision upon it, in fact we did not conclude our examination of it.

Q. Who was with you in that examination? A. Mr. Chalifour of the Public Works Department.

Q. Are you still working at it? A. We have not done anything on it since the 8th of December.

Q. Mr. Chalifour of the Public Works Department, and who else was working with you on the matter? A. Mr. Donnelly remained with us for a while; he was with us the first day only.

Q. What suspended your work on the 8th of December? A. Mr. Donnelly was preparing a final estimate of the work done on the concrete which was to be sent to the Department.

Q. What had an estimate of the work done to do with the expenditure as to which they were to be paid? A. There was a clause in the Order in Council and also in their agreement with the Department to the effect that the agreement would be for the actual and reasonable cost of the work. There is a clause to that effect and there is a question as to the exact meaning of that.

Q. Between whom was the question? A. Kirby & Stewart and ourselves.

Q. They contended for the actual cost? A. For the cost as they put in their account.

Q. They contended they were entitled to be paid actual cost as their account showed that actual cost to be? A. Yes.

Q. And you contended what? A. Well, so far as we were concerned there was no contention at all. Mr. Soper, the bookkeeper for Kirby & Stewart stated that he considered that that was not a matter we could go into.

Q. Which was not a matter you could go into? A. As to whether they should be paid the actual cost as shown by the vouchers, or whether they should be paid according to contract.

Q. His contention being that you were there to look at their books for the purpose of examining their accounts, to merely see their accounts? A. Yes.

Q. Did you get the actual cost as shown by their books? A. Our position with regard to that was that they had vouchers for everything that totalled up their claim, except for a clerical error they had made of two or three thousand dollars.

Q. Which totalled up their claim as I have drawn your attention to? A. Yes, $334,572.18 is the total amount of work they had done, except for a couple thousand dollars clerical error:

> "Total cost of work including interest on advances and notes to bank to October 31, 1911, as per vouchers, $334,572.18."

Q. By the way, how could notes to the bank be included in the total cost of the work? A. Notes to the bank would represent accounts that the bank had paid for them.

Q. Did you furthermore find that the credits which they had given in the October 19th account were correctly stated? A. I think there was a difference in some of their accounts. They were paid for at the rate of work done plus fifteen per cent. actual cost plus fifteen per cent. They did not include the fifteen per cent in the statement of credits. I think it appears in this, $7,434 in the account.

Q. So, that would swell the amount of the credit by a small sum? A. Yes.

Q. But in the main, if they were to be paid actual cost the balance of about $225,000 at the time would appear to be due them? A. Yes.

Q. And leaving that question of the interpretation to be put upon these words: "reasonable cost," to be determined later on? A. Yes.

Q. Since the 8th of December, you have had no further instructions in the matter? A. There have been no further instructions on the matter.

Q. In your examination of the accounts, did you ask for and examine in detail the vouchers for expenditure? A. Yes.

Q. And you found them all for expenditures that apparently had been made around the dam A. They seemed to be for expenditures of material sent up to Timiskaming.

Q. And for work? A. We concluded that was the only work they were doing.

Q. Were there any items for any considerable amount about which you had any doubt? A. There were a number of items that were not fully explained to us at the time but subsequently Mr. Soper explained them to us.

Q. He satisfied you as far as you had gone that the expenditure had been bona fide? A. Yes, it was merely a matter of adjustment of amounts. They had paid the bank by draft.

Q. You saw nothing there that struck you as not being for material or for labour or for service in connection with the actual work of construction? A. All the accounts seemed to be for the dam.

Q. The sum that you mentioned just now does not include the cost of the plant? A. The $334,000 represents the total amount that Kirby & Stewart spent for the work there which will include what they paid for the plant.

Q. And which the Government proposes to pay for? The Government have taken over the plant, but they take over the plant at the valuation of Mr. Griffiths.

That was one of the reasons why we concluded that the payment might be made for the work done on contract price, namely, that they had valued the plant.

By the Chairman:

Q. That is one reason why you considered that the word "reasonable" had to be taken into consideration, that in paying for the plant they had only been allowed for the actual value of the plant? A. The value as Mr. Griffiths gives it there, that there was no necessity of valuing it if they took it over at the actual cost to Kirby & Stewart.

Q. On the debit side of the account of Kirby & Stewart dated October 19, 1911, referred to above, the first item was $334,572 in the words "total cost of work," and that is the full absolute expenditure for the plant? A. Yes, vouchers.

Q. Then, in the credit side of the statement, they put $34,298.95, as being received from the Government on that appraisement which had been made? A. Yes.

Q. They would seem, on the account, to have charged in the first item the difference between what they obtained by the appraisement, and what the thing cost them? A. Oh yes, and which they said should go into the cost of the work as depreciation of plant.

Q. So that, if that contention were right, they would be receiving first, all their expenditure? A. Yes.

Q. Then they would be receiving the value of the plant on the ground, as appraised? A. Yes.

Q. And then they would furthermore be receiving, as part of the cost the depreciation of the plant in the meantime? A. Yes.

Q. So that if their contention for actual cost were the right one, the shorter way would be to say that they should be paid the full expenditure they had made and the plant should be taken over by the Government as part of their property? A. I should think so.

Q. In other words you would simply have found that their total expenditure on the work was so much? A. Yes.

Q. You would have assumed the work and with the work you would have assumed everything on the work? A. Yes.

Q. And the total amount of expenditure would simply have been paid? A. Yes.

Q. For that reason you contended that they were to be paid the reasonable cost of their work and that the actual would probably mean cost according to the contract price. Of course that would still leave open the question whether the depreciation of plant on the premises was not a portion of the reasonable cost if the work had been done economically? A. Yes.

Q. The dispute would simply come down to this: Whether where they had done work that cost more than it should have cost they should be paid for it or should lose it? A. Exactly.

Q. Upon that point you have no instructions? A. Well, personally, I should think—

Q. I do not ask you what you think; I am asking if you have received any instructions on that point? A. No. I may say that included in that $334,000 are items of interest which they had paid the bank and which if the accounts were to come up again we would not allow.

Q. Would that come to a large amount on the total? A. I think it would amount to over $10,000, probably more, I cannot tell exactly.

Q. That would not be part of the total cost; it might cost them that to run the business but it would not be a part of the natural cost of the business if they had money to pay for it instead of borrowing it? A. Exactly, it is included in the $334,000.

By Mr. Lake:

Q. Does that include the fifteen per cent profit? A. No, the fifteen per cent profit on the unwatering appears up here (indicating). The amount here is $225,000. whereas up here it is $217,000. The $225,000 balance does include the fifteen per cent.

Q. In reference to the Order in Council which directs that the work already executed which may be considered as absolutely necessary be paid for at actual and reasonable cost, has any question arisen between you as to what these words "which may be considered absolutely necessary" refer to? A. Between whom?

Q. Between you and the contractors. A. There was no mention of that.

Q. As that reads, without any comma, it might mean that only that portion of the work which may be considered as absolutely necessary should be paid for? A. Yes.

Q. There may have been a certain amount of work which was not necessary? A. Exactly.

Q. Is that as well to be paid for? A. We do not know anything about any work that is not absolutely necessary.

Q. You have not gone into that question? A. No.

By the Chairman:

Q. You did not direct your inquiry to find out whether there was anything that was not actually necessary? A. No, we merely compared their vouchers with their voucher book and with the cheques.

Q. If these words are open to the interpretation which Mr. Lake has just suggested, it would still have to be inquired into how much of the work charged for in the contractors' account was absolutely necessary? A. It would be a question for the engineers to decide. It is a very ambiguous sentence; it has always been so for us.

By Mr. Ducharme:

Q. Do you know anything about the first objection made by the Auditor General objecting to the contract being let without new tenders? A. I had nothing to do with it at the time; I was not working on it at the time.

Witness retired.

JOSEPH MURRAY CHALIFOUR, sworn:

Examined by The Chairman:

Q. You are employed in the Public Works Department? A. Yes, sir.

Q. What is your position? A. I am Auditor or Examiner of Accounts for the Chief Engineer's Branch.

Q. You have been engaged with Mr. Douglas and with Mr. Donnelly partially in examining the claims made by Kirby & Stewart concerning the Timiskaming Dam? A. Yes, sir.

Q. And the account dated October 19th, 1911, was the basis of your inquiry? A. Yes.

Q. We understood that about the 8th of December, you ceased work on that and have done nothing since? A. Yes, it was about the 8th of December we stopped work on that.

Q. I want to shorten the inquiry as much as possible, Mr. Douglas tells us that you found the main claim $334,000 correct as to amount, except in two particulars, there being an error of about $2,000 in the calculation and that it included about $10,000 of interest to the bank for loans given to them from time to time? A. Yes.

Q. He also says that that claim by them included the total amount which they had paid for plant? A. Yes.

Q. And as they were allowed and paid for the value of the plant as estimated by Mr. Griffiths, there would still remain in their claim a sum which represented the depreciation in the plant in the meantime? A. Yes.

Q. Which they contended they should be allowed as part of the cost of the actual work done by them? A. Yes.

Q. And then Mr. Douglas says that the work ceased because the Order in Council authorizing the payment said that the contractors were to be paid the actual and reasonable cost, and there was a dispute as to what was the precise meaning of these words? A. Yes.

Q. The representative of Kirby & Stewart claimed that all you had to do with it was to find what was the actual cost? A. Yes.

Q. You examined the vouchers in detail showing the amounts? A. Yes.

Q. There were bills and receipts and so forth for each of the items? A. Yes.

Q. And you went through them? A. Yes.

Q. When you got a bill and a receipt for the bill did you go any further to ascertain whether there had been an actual delivery of the articles, or did you just assume that they were all delivered? A. We just assumed there was delivery.

Q. In other words, when a voucher was produced in the regular form and receipted in a proper way you concluded they had paid for it that amount? A. Yes.

Q. Did you go to the extent of looking into the cheque books to see whether the payments had been made? A. Every voucher produced receipted carried its cheque in payment. Attached to the account was the returned cheque from the bank or the accepted draft.

Q. So you were satisfied that there had been an actual expenditure for the amount claimed? A. Yes, by the vouchers produced I was satisfied that they had incurred that expenditure; that is about the amount spent on the work by the contractors.

Q. Did you see anything whatever in this to excite your suspicion at all? A. No, not in the vouchers.

Q. Attention has been called here to an Order in Council dated August 11, 1911, under which you acted, and it contains these words:—

> "Also that the work already executed which may be considered absolutely necessary be paid for at its actual and reasonable cost."

Regarding the work "which may be considered absolutely necessary," did you in your inquiry endeavour to find out what work was absolutely necessary? A. No, that is a question for the Engineers of the Department.

Q. You simply directed yourself to find the total expenditure? A. The total expenditure and more especially in connection with the unwatering, as at the time of the account nothing was decided as to the meaning of these words and the action the Department would take in connection with it, and my view of the examination was more towards passing the last accounts in connection with the amount of $61,000 for unwatering.

Q. You had that more in mind? A. Yes.

Q. But that did not prevent you from carefully examining the others? A. Carefully examining all the other vouchers.

By Mr. Ducharme:

Q. You went through that account? A. Yes.

Q. That is for the whole amount of work done from the beginning by the contractors? A. Yes.

Q. I want to know if the $334,000 was obtained by making a calculation as to the amount of work performed by the contractors? A. No, it is arrived at by the

contractors from their books, by the amount expended by them, the actual cash paid out by them on the whole work from beginning to end.

Q. Can you tell me if in that item there is anything for lumber? A. There are thousands of dollars worth of lumber. That covered every bit of material and every hour of labour that has been put there. It also covers some expenses at headquarters here, travelling expenses for the contractors, and interest paid the bank for borrowing money.

Q. The contractors are paid their travelling expenses to and from the work? A. Yes.

By Mr. Lake:

Q. Did they not pay themselves a salary? A. No.

By Mr. Ducharme:

Q. They were given out the contract in November, 1908. The second Order in Council is passed on the 30th March, 1909. Now, the contractors claim that while this change was taking place with the idea of building a wooden dam, they bought $20,000 or $30,000 worth of timber. I want to know if that was included? A. Everything. It was used in the dam, it was paid on the progress estimates.

By the Chairman:

Q. Take that charge for timber. You had no means of ascertaining whether the timber paid for was actually used in the dam or not? A. No, but our Engineer would have personal knowledge of that, the Engineer on the work would know.

Q. Did he certify that it had been used in the dam? A. No, he would not I suppose certify that it had been used in the dam, but in his progress estimates every month he would put in so much timber and so on.

Q. When you came to look at the total bill and found so much lumber charged, did you compare your progress estimates with the total charge to see if it was all accounted for or not? A. No.

Q. And Mr. Donnelly would not be there to certify whether it had all been accounted for or not? A. No.

Q. You just assumed from the bill that everything charged had been used? A. We assumed from the bill that everything charged was used. As far as we were concerned our duty was to look at these bills and see whether they appeared to be correct and if they were proper charges against the dam.

Q. Upon that one point as to whether they were proper charges against the dam would depend upon whether they were used in the dam? A. As long as they were shipped there and delivered there—

Q. You assumed they went into the dam then? A. Yes, just assuming.

Q. And the question may be raised by some one else whether actually they did go into the dam or not? A. Yes.

Q. What is the name of the Engineer who would know that? I suppose Mr. Donnelly would know.

By Mr. Ducharme:

Q. Whether the lumber is there or not, Mr. Donnelly will tell us that? A. Mr. Donnelly will know exactly what lumber there is; the amount of lumber that has gone into the previous coffer dam, and the amount of lumber that has gone into the present coffer dam because he was on the work all the time and made it his business to look after that.

Q. Mr. Griffiths appraised the machinery? A. Mr. Griffiths appraised the machinery, and appraised the whole plant and material on the ground. That $34,000 is made up of a steam shovel, and a cable way and a winch, and a blacksmith shop and camps and some material on the ground and some in store.

Q. Supposing there was some cement there would Mr. Griffiths put it on his bill? A. Yes.

The CHAIRMAN.—Suppose a large amount of lumber had been brought down and been partly used and had gone away, Mr. Griffiths when he went up there, if there was any on the ground, would estimate what was on the ground, and that would be paid for as plant, but he would not enter into a calculation of how much had been used?

Mr. DUCHARME.—Yes, but I am putting this question to the witness—taking it for granted that there was a certain amount of lumber there which came from the dam and was appraised by Mr. Griffiths, would we not be paying for it twice, paying to the contractor plus fifteen per cent and paying for it as part of the plant?

The CHAIRMAN.—No, because what we pay to the contractor is credited to us, and so we do not pay it twice.

Mr. LAKE.—They purchased a certain amount of timber and you saw their vouchers for it, and find that that was used for the building of a shanty. Now, if we take over that shanty at its appraised value and pay for it, and if we also pay for all the timber that was sent it, are we not paying for the timber in that shanty twice over?

The CHAIRMAN.—No, if they were claiming the total amount and also claiming for the stuff on hand, it would be paid twice over, but they are not. They make a claim for the total amount and then they give credit for $34,000, and consequently they are not getting paid for it twice. Mr. Griffiths would not have anything to do with the timber paid for in the dam that was floated away; he would only estimate the timber on the ground when he went there.

By Mr. Lake:

Q. I see that, but the other point appears to be still doubtful. You give them credit for every cent they paid for the purchase of timber, and if they used part of that timber in constructing shanties, and you buy the shanties, is the Government credited with that? A. Yes.

Q. Then Mr. Griffiths goes out and says: I calculate the value of these shanties and cook-houses at so many thousand dollars, and that is allowed.

The CHAIRMAN.—That is not allowed, the contractors are charged with it in the account. They are allowed for the total expenditures, and then when they are paid, what is estimated on the ground that is deducted from the total expenditure, and they are only asking the balance.

Mr. CHALIFOUR.—They claimed the total expenditures, that is their own claim.

The CHAIRMAN.—And we come in and pay part of it and then they said: We will give you credit for the part you paid, and having got paid for the lumber on the ground they don't claim for it a second time.

Mr. DUCHARME.—And we are losing whatever quantity of lumber was lost. We are paying for whatever lumber may have been sold to lumbermen or others. I do not say there was any, but we have to find that out. What Mr. Donnelly should do is to look at the bills for the lumber and say what was used and what was left and see whether they agree; that is the point.

Witness retired.

HAROLD HIGMAN DONNELLY, sworn:

Examined by the Chairman:

Q. By profession you are an engineer? A. Yes, sir, a Civil Engineer.

Q. How old are you? A. Twenty-four years.

Q. How long have you been engaged on the Timiskaming Dam? A. Since October, 1909.

Q. At that time you were about twenty-one years of age? A. Yes, sir.

Q. When did you graduate? A. I graduated from the Royal Military College in 1908.

Q. Was this your first practical work? A. No, sir, I had seen a good deal.

Q. I mean after leaving college, was this the first job you went on to? A. I worked in a shipyard after I left college.

Q. But when you entered the service of the Government you went on this work? A. Yes, sir.

Q. Who engaged you to go on the work? A. I came to Ottawa. I saw Mr. Goodwin, Assistant Superintendent of Dredging, and he introduced me to Mr. Coutlee and Mr. Coutlee sent me to Timiskaming.

Q. You said you had some practical experience? A. Yes, sir, I had a good deal.

Q. While you were going through the Military College? A. I worked with my people in Kingston, The Donnelly Dredging Company, and I started in when I was about twelve years old.

Q. How long were you at the Military College? A. Three years.

Q. During the time there would you have any practical work? A. Yes, sir, a good deal of practical work.

Q. Had you ever anything to do with dam building? A. Not at the Military College but with my own people in Kingston, we had hydraulic work, which is building docks and waterworks.

Q. That would be in still water on the lake? A. Yes, sir, and in the currents of the St. Lawrence.

Q. What did your do there? A. My people are in the salvage business and we worked a good deal in taking boats off the shore.

Q. Did you ever build a dam in a riverway such as at Timiskaming? A. No, sir.

Q. This was your first experience in that line? A. Yes, sir, placing cribwork in the current there. The handling of the cribs is much the same all over only there would be less weight to handle; it is something the same as taking boats off the shores down in the St. Lawrence currents.

Q. That is to say, if you are taking out cribwork, and attempting to sink it and hold it in the current, it would be something like lifting a vessel in the St. Lawrence? A. Yes.

Q. That remark would apply to any cribwork done in building a coffer dam? A. Yes.

Q. It would not have anything to do with the construction of the concrete dam itself? A. No, sir, but the concrete work is done in the dry.

Q. And is not of itself a very difficult work? A. Not when it is of the ordinary kind.

Q. And the practical difficulties that were reached in the Timiskaming dam were in connection with the coffer work on the Quebec side? A. Yes, sir.

Q. Your real difficulty had occurred there I suppose by scouring of the bottom? A. Yes, we have had more trouble this year and last in that line.

Q. And as to that class of work, such as obtaining a coffer dam in a riverway of that kind, and difficulties from scouring, and from the formation of the subsoil, would not have any relation to your experience in raising vessels on the St. Lawrence? A. No, but the handling of the cribs to get the cribs in place, that is the most critical part of the work.

Q. Were you at the Timiskaming dam when it was swept away in the beginning of 1911?- A. Yes, sir.

Q. You were up there at the time? A. Yes, sir.

Q. The water rose more than usually high?- A. It was within eight or nine inches of extreme high water.

Q. By which you mean what? A. The extreme high water level of Lake Temiskaming.

Q. You mean past records or ordinary records?- A. Records for forty years.

Q. You mean to say it was within what it had reached during that time?—A. Yes, so far as it was known.

Q. Would it be somewhat higher than an ordinary spring freshet?- A. Yes, sir.

Q. The coffer dam on the Ontario side had been taken out the previous year had it not? A. The previous year, but the coffer dam in the Quebec channel was one-half in before that was taken out.

Q. What I am getting to is this: at the time that the Quebec coffer dam was swept away there was nothing on the Ontario side to stop the water except the dam itself? A. There is a much increased channel over there, but the amount of water flowing down the Ontario channel at that time, although there was a concrete dam across it, would be as great or greater than in previous seasons before the work began at all.

Q. Not with the two channels unobstructed? I am talking about the amount that was going down the Ontario side?- A. Oh, yes, sir.

Q. Besides building the dam on the Ontario side the channel had been excavated out and the boulders cleared away and so forth? A. Yes.

Q. So that there was a greatly increased flow on the Ontario side? A. Yes.

Q. The water on the Ontario side during that freshet would be going over the Ontario side of the dam with a great head? A. Yes, sir, going through the sluices.

Q. Of course, the sluices were open? The amount of water that went over the coffer dam and then went through on the Quebec side would not be greater than usual in freshet water? A. You mean after the dam broke or before?

Q. When the dam broke was the rush of water coming on the Quebec side greater than in previous years before the other dam was put there? A. Only part of the coffer dam went away on the Quebec side and that left approximately one-half of the Quebec channel still obstructed, and we thought that what was going through on the Ontario side about made up for the obstruction on the Quebec side.

Q. Tell me this; am I to judge from what you say that it was not the great quantity of water on the Quebec side that carried away a part of the coffer dam but the water getting under the coffer dam? A. The coffer dam gave way on the shore end.

Q. That is on the Quebec side? A. Yes, there was about a fifteen-foot head there and out in the centre there was about twenty-eight-foot head, and the piers were not a great deal heavier and so we assumed that the water going over the top of the coffer dam got down under and scoured the bottom.

Q. The island end of the Quebec coffer dam remained? A. Yes, sir.

Q. And the weight of water going over that did not disturb that? No, sir.

Q. The level of the coffer dam would be about the same all the way across? A. Yes, sir.

Q. And there would be as much water going over on the island side as on the shore side? A. Yes, sir.

Q. So that would look as if the difficulties had been caused at the bottom? A. Yes, sir, and we have also seen since, we have had that channel nearly unwatered now, that the Quebec side is scoured out a great deal right along the shore.

Q. Is that because of difficulties in the bottom or some peculiar twist of the current? A. It looks as if the dam was not quite so solid on that side.

Q. When did you start in the work on the Timiskaming Dam? A. October 6, 1909.

Q. Who was there in your place before you went there? A. A. J. Matheson.

Q. When did he leave there? A. He left there to go into private practice as a consulting engineer.

Q. Was he a young man? A. I should judge he was forty-three or forty-five years.

Q. Where is he now? A. He is in Vancouver.

Q. Have you stayed on the work ever since? A. Yes, sir.

Q. Now as to the time you went to work, what was the condition of the work, how much had been done? A. There were two pits dug, one on each side of the Ontario side, some six thousand yards of material.

Q. One on the island and one on the shore? A. One on the Ontario shore and one on the island.

Q. That was where the concrete dam would commence and end? A. Yes, they were just pits that one derrick could reach.

Q. Would the river flow in and out of them? A. There was a little seepage but not much.

Q. Do you mean to tell me that at that time there was none of the concrete work done at all? A. No, sir.

Q. Was there any coffer damming done at that time? A. No, the channel is practically dry at that time of the year.

Q. When does the dry season begin? A. The water would drop sufficiently about the end of September.

Q. Up to the end of September during that summer, you were there, can you tell us what was going on there? A. I believe the contractors were getting their plant on the island.

Q. All summer? A. Yes.

Q. You would not have to wait on the Ontario side for the water to get down to do proper dam work? A. No, sir.

Q. And the coffer dam work on that side how was it done, was it by building cribs and floating them out? A. Yes, sir.

Q. On the Ontario side it was actually done that way? A. Yes, sir.

Q. The coffer dam would be how far north of the site of the dam? A. Three hundred and fifty feet.

Q. And every bit of it was actually built by floating it out and sinking it? A. At the shore end of course, which would be built in place.

Q. It would be sunk and filled with rock I suppose? A. Yes.

Q. What would be outside of it? Planking? A. Yes, or sheeting.

Q. You would put sheeting along the front part of the crib? A. Yes, sir.

Q. Outside of the sheeting would earth be put down? A. Yes, sir.

Q. The river would keep that earth down like an ordinary old-fashioned mill dam? A. Yes, the sheeting is vertical in this case, whereas in the old mill dam it was slanting?

Q. Just simply put down on the bottom or driven into the bottom? A. It could not be driven because of the boulders.

Q. If your coffer damming was done in that way, was any pumping necessary or did the thing just dry itself out? A. It was pumped out and there was a very little leakage, but perhaps a week after they had it pumped out, the water dropped away from the coffer dam sufficiently to leave the natural bottom to hold the water.

Q. When was the coffer dam on the Ontario side completed? A. About the end of June, 1910.

Q. And until that was completed was any concrete work done in the dam itself? A. Yes, sir.

Q. When would that be done? A. That would be done in February, 1910, and the work went on up to the 1st of May, 1910, and then the spring freshets came on and flooded the foundation.

Q. The water coming over the dam? A. There was no coffer dam required before.

Q. You said the spring freshet came on in 1910? A. Yes, sir. The excavation was taken out in October and December of 1909, and January of 1910, and then some concrete work was done.

Q. That was all before the coffer dam? A. Yes, so far the coffer dam was not required there, and when the spring water came up, about the end of April, or perhaps the 15th of May it may be, the water came over the natural bottom and flooded the foundation. That was allowed to run for some two or three weeks and then the coffer dam was started on the upper Ontario Channel.

Q. How long did it take to build the coffer dam across the Ontario channel from start to finish? A. About two weeks.

Q. After it was completed you started and dried it to finish with the concrete? A. Yes.

Q. When was that finished? A. The concrete was all finished on the 15th September, 1910.

Q. On the Ontario side? A. Yes, sir.

Q. That was practically one year after you went on the work? A. Yes, sir.

Q. To the best of your knowledge and belief, after what you saw when you went there, is there any reasonable explanation of the long delay between May, 1909, when they began to work, and October, 1909, when you got there? A. The contractors' methods seemed primitive.

Q. That was five months, and up to that time except the two pits you speak of, there had not been a stroke of work done on the thing itself? A. Of course, it would take a month to build camps and get heavy machinery. It was a very awkward place to get machinery, and the whole island was very thick bush at the time.

Q. Could the work have been done from the Ontario side before getting machinery across to the island; could they not have gone on at the same time? A. They required a certain amount of machinery there to carry on the work.

Q. A certain amount of machinery where? A. To carry on the work right at the site.

Q. Yes, I know, but could not actual work in excavation and otherwise have been carried on on the Ontario shore even while they were getting their machinery over to the island; could not the two go on at the same time? A. Well, they would require certain machinery such as hoists and derricks to excavate the excavation.

Q. On the island side? A. On either side.

Q. Did they use the same derricks and machinery on both sides? A. Not the same, but they had two derricks up when I got there, one on one side and one on the other.

Q. Could not they have a derrick up on the shore side and continued doing the work before they got the derrick up on the island side? A. I believe they could, but I do not know exactly the conditions when they started.

By Mr. Lake:

Q. About how many men had the contractors on the work when you got there? A. They had about sixty men.

Q. You don't know how long they had been there? A. Only just from hearsay.

Q. Had they increased in number? A. Yes.

Q. You had heard that the contractors commenced to bring in their machinery and so forth the previous May? A. Yes.

Q. What I want to ask you is this: whether if they had been anxious to build and expeditious, and had taken hold of the work vigorously, a great deal more might have been done before you got there? A. I believe a great deal more could be done.

By the Chairman:

Q. Now, then, after you got there, from October until the next September, when the Ontario side was done, what was the progress of the work, satisfactory or otherwise? A. When they got the steam shovel in in November, 1909, the work seemed to go better.

Q. Up to that time, from October to November, while you were there, had the work been going on satisfactorily? A. No, it seemed very slow.

Q. It went better after you got the steam shovel? A. Yes, sir.

Q. It did continue all winter? A. Yes, sir.

Q. Steadily? A. Very steadily.

Q. What number of men would there be all winter? A. It was considerably increased, perhaps there would be 125 men.

Q. At what time? A. The force was increased in the end of November, I believe.

Q. In the spring of 1910 and the summer of 1910, up until the time that work was finished on the Ontario side, would the force be about that size? A. No, about June or July, 1910, the force was increased to about 225 men.

Q. Why could that same number not have been used there before? A. There is no reason that I know of.

Q. Putting concrete in the winter time, in the month of February we will say, in that river, how did you guard against frost? A. The concrete was covered with boards and then tarpaulin put over the boards to make them seam tight and coils were put in and live steam kept there.

Q. Had it been contemplated in the original contract that the work was to go on in the winter, or was it an extra that was provided for? A. I do not remember that the concrete should be laid in winter, but the specification I believe said that all precautions should be taken to prevent freezing of the concrete if it were laid in winter.

Q. That might imply it was going to be laid in winter? A. Yes.

Q. So far as the housing and heating was concerned, on the Ontario side, the contractors made no claim for special payment? A. They made a claim for a patch about twenty feet by twenty feet, and that had been frozen in the winter, and it was picked off in the spring and they could only get off about six or nine inches and they made a claim for that.

Q. I mean to say they made no claim for the housing and the heating on the Ontario side? A. They made a claim for digging a trench in frozen material.

Q. You have already referred to that? A. No, this is excavating as a deep cut or trench that went below the foundation of the bottom. They had to dig that out of frozen material, and it was slow work.

Q. The actual housing and heating of the concrete on the Ontario side was part of their contract and was paid for in the price of concrete? A. Yes, sir.

Q. Have you any means of knowing exactly what the coffer damming on the Ontario side cost? A. Not on the Ontario side.

Q. You have never tried even to form an estimate of what it cost? A. No, sir.

Q. How many men would be there during the two weeks that coffer damming was going on? A. A little less than one hundred; ninety men perhaps.

Q. How much was paid to these men per day? A. The labour averaged about $1.75 per day and their board would cost from forty cents to fifty cents and that would be about $2.20 or $2.25 per day, and the material that they would pay for would be wood.

Q. And these men would be engaged in blasting, and taking the boulders out of the dam. Would any blasting be necessary? A. Yes, sir.

Q. Then their estimate of material for the coffer damming would be the timber? A. Timber and earth.

Q. I suppose they would have horses engaged drawing the earth? A. Yes.

Q. How many horses would they have on the job? A. About three teams at that time.

Q. These would be their own horses? A. Yes.

Q. You have an appointment to act with an accountant from the Audtor General's office and another from the Public Works Department to examine the accounts of Kirby & Stewart? A. Yes, sir.

Q. The work having been taken over from them? A. Yes, sir.

Q. Did you assist the Accountant to some extent? A. I was in Ottawa last fall for a few days and it was not considered at the time that I was required; they were simply examining the books at that time.

Q. When do you mean? A. In November, 1911.

Q. Among the charges in the account of Kirby & Stewart as items for which they have paid, there is a large amount for timber used by them? A. Yes, sir.

Q. Could you by examining these bills for the timber which they have charged for, and by your knowledge of the coffer dam at both sides, form some idea, a pretty correct idea, as to whether the whole amount of timber they have paid for was used in the coffer damming? A. Of course you will find on the one side they have paid for so much timber, and on the other side you will find there was some of that timber on hand and taken over in the plant.

Q. Could you form some idea? A. Yes, sir, we could measure the cribs in place.

Q. The difference between what they paid for and what was left on hand ought to be either in the cribwork or wasted and gone away? A. Yes, sir.

Q. What I mean to say is, can you find out whether all the bills for wood and material can be accounted for? A. We measured their cribs that they built on the shore and that crib was taken out and put into place and then built up.

Q. I want you before you go away to see how much timber is charged for in Kirby & Stewart's claim and how much of that timber you can account for as being used or left there and taken over by the Government; do you understand what I mean? A. Do you mean before I leave Ottawa?

Q. Yes, before you leave Ottawa this time. With the assistance of Mr. Chalifour you can get the books and see how much is charged in Kirby & Stewart's bill and you can estimate what was used and let us know. Have you any datas from which you could tell the amount of cement that they had used up there? A. Yes, sir.

Q. Did you get a list of that? A. We measured all the work.

Q. Can you compare that with Kirby & Stewart's account and see whether all they have charged for was used? A. Yes.

Q. Well, do the same thing with that as with the wood. Across the island, from the island end of the Ontario dam to the island end of the Quebec dam, what sort of a structure was put up? A. An earth filling there.

Q. Just an earth filling? A. Yes, sir. Of course it had a wooden trestle in the centre.

Q. Along which the cars ran for the earth filling? A. Yes, of course there was some loose rock in that.

Q. At high water, does not the river overflow the end of the island? A. Yes, but it would not come up as far as this earth filling.

Q. In very high water, the highest flood that has ever been known, I understand a very little of the island is uncovered? A. The earth filling is just the centre portion. I suppose with a cement dam built and sluices all open, there would be no danger of that earth fill being washed away; I suppose the water would not then come to it? A. No.

Q. And while the coffer dam is put on the Quebec side in case of a heavy freshet, would there be any danger whatever in the island being flooded now? A. It might be flooded, but there would still be lots of room on the island.

Q. There would be no danger of this embankment being interfered with by the water anyway? A. No, we had very high water and the embankment was not interfered with.

Q. Now, on the Quebec side, is the coffer damming completed? A. Practically completed. Of course there is always a certain amount of work to make the final stage.

Q. Have the cribs been put all the way across? A. Yes, sir.

Q. And the sheeting driven down? A. Yes, sir.

Q. And the filling with earth outside? A. Yes, sir.

Q. What work are you doing now? A. We are completing the second dam, what we call the pocket dam; there is some earth filling to be placed in that yet.

Q. What is that? A. It is only about half as high as the main dam below it. There is a better chance there to make the bottom of the sheeting tight, working in still water, or nearly still water, and this second dam, or pocket dam, holds the water up about eight feet and then the water is taken off in a trough and perhaps only quarter the amount of pumping is required to dry the pit.

Q. That would be water between the first coffer dam and the second coffer dam? A. Yes, sir.

Q. What is the idea of that, is it to make the first coffer dam safer? A. The first coffe dam has a certain amount of leakage in it, and this leakage is too much to be handled by the ordinary pumping.

Q. The result of that would be that you expect to get a dry place for the cement? A. Yes, below the second dam.

Q. Has the concrete work on the Quebec side been commenced? A. No, sir, there is excavation and pile driving to be done.

Q. Have you commenced that? A. I had a pile driver in position and the water is still in the foundation of the pit.

Q. You mean the foundation pit for the concrete dam? A. Yes.

Q. Into which you are driving these piles? A. Yes.

Q. Are these piles to be surrounded by concrete? A. They would be placed above the concrete for a cut-off wall into the material, the bottom is considerably softer on that side than on the Ontario side.

Q. Will they be left there all the time? A. Yes, sir.

Q. And you drive them as far as you can? A. Yes, sir.

Q. The actual work of laying down the cement has not been begun on the Quebec side at all? A. No, sir.

Q. How many men have you employed? A. About 130 to 140.

Q. Is that all that can be used? A. As soon as we can use more men, it will be no doubt in a short time, we are putting in about forty men more.

Q. Can they be easily got? A. Yes, sir.

Q. Are they living around there? A. No, we have to send out for them; we get a good many in Ottawa.

Q. You have no trouble at all in getting as many men as you want? A. No, sir.

Q. You can put on as many as can be employed on the work? A. Yes, sir.

Q. When do you expect to begin the actual cement work? A. It is hard to say, it depends upon how the pile driving goes.

Q. Do you mean to say how quickly it can be done or the extent of it? A. How quickly it can be done.

Q. Is there much pile driving to be done? A. Yes, sir.

Q. On both ends, in the centre, or where? A. Above the concrete and below.

Q. All the way across? A. Yes, sir, if we can.

Q. Where do you find the greatest depth of material soft enough to drive into; in the middle or on the end of the work? A. On the island end, so far.

Q. You are going to have in front of the back of the slab a cut-off wall? A. Yes.

Q. Is this concrete driven in front of the cut-off wall? A. All the concrete will be inside of these two lines of piles.

Q. About how deep are these cut-off walls to be? A. Ten feet across.

Q. Ten feet from the top to the bottom? A. We will clean off the bottom to get a grade right across and ten feet below that grade.

Q. The slab will be three feet thick and then this cut-off wall, where you can, will be ten feet below that making thirteen feet? A. Yes, sir.

Q. Will your piles go lower than that thirteen feet? A. We expect they will go perhaps six feet below the thirteen feet.

Q. You have got down now to September, 1910, when you finished the Ontario side; what was the next work undertaken? A. While the work in the Ontario channel was being completed the coffer dam and crib work was started in the Quebec channel.

Q. That would be 1910, about what month? A. About the 15th of December.

Q. Now then, you have the contract begun and the men on the ground in May, 1909, and the Quebec end started, only in September, 1910; more than two seasons has gone by up to that time and nothing whatever had been done on the Quebec side? A. Perhaps there would be a few boulders blasted as early as the 1st of December on the Quebec side.

Q. Was there any reason why, if sufficient men had been got, and sufficient material obtained, that a good deal of excavation work and other work could not have been done on the Quebec side? A. The Quebec side excavation was all wet practically.

Q. It remained wet, did it not? A. It was under water until that side could be unwatered by coffer dams.

Q. Was it not possible, and has not a great deal of excavation been done, north of the coffer dam in order to clear the channel and all that sort of thing? A. Not on the Quebec side.

Q. It was on the Ontario side? A. Yes.

Q. It is not intended to do it on the Quebec side? A. The channel is a good deal lower on the Quebec side than on the Ontario side and there was some intended but not much?

Q. The first work to do on the Quebec side would be coffer damming? A. Yes.

Q. And would you say that that would have to be done in order to get the bed of the river dry enough to excavate and clear it out below the coffer dam? A. Yes.

Q. Practically nothing could be done on the Quebec side until the Ontario side was finished? A. Yes, sir.

Q. You would have to be ready, I suppose, to take away the coffer dam on the Ontario side before you would build a coffer dam on the Quebec side, so as to let the water go? A. Yes.

Q. Until you took away the Ontario coffer dam there would be no outlet for the water ? A. No, sir, but the Ontario dam had to be held in until the work was finished on the Ontario side.

Q. When was the Ontario coffer dam taken away? A. On the 18th of October, 1910.

Q. How was it taken away? A. It was taken away by dynamite.

Q. And allowed to go down stream? A. Yes.

Q. And it went out with a rush of water and went through the cement dam and so on? A. Yes, and then the contractors continued to build up more of the dam on the shore end until finally the whole of the dam was out?

Q. The material in that case would all be wasted? A. Yes; it would practically be of no use except for firewood.

Q. You started then in October, 1910, with the coffer dam on the Quebec side? A. No, the shore end was started a little before.

Q. In December? A. Yes.

Q. I notice in a report by you dated 28th November, 1910, you refer to dredge excavation which had taken place. What dredge excavation is that? A. That is on the Ontario side.

Q. Done by the Government, I suppose? A. Yes, sir.

Q. I show you a report dated December 12, 1910, covering from April to November, is that your report or Mr. Coutlee's report? A. Mr. Coutlee's. Parts of it may be taken out of my report to Mr. Coutlee.

Q. Well, there was an arrangement with the Government about the housing and heating of the work which Kirby & Stewart were undertaking in the fall of 1910 on the Quebec side? A. Yes, sir.

Q. That would be housing and heating of concrete? A. Yes, sir.

Q. Was any concrete done on the Quebec side by them? A. Only a few yards.

Q. Is that on the island side or on the shore side? A. On the island side. And it was done in the spring.

Q. It was done in the spring of what year? A. 1911.

Q. Just before the dam broke? Yes.

Q. I find this in the contract:—

"Winter work; concrete will be laid during freezing weather only under written instructions as to the precautions to prevent freezing. Work will be stopped and resumed as directed and the material and plant will be kept heated and a mixture of salt will be added."

—there was a provision in the original contract that if desired the material would be kept housed and heated at the expense of the contractors.

The Commission adjourned until Wednesday, January the 24th, when the examination was continued.

OTTAWA, WEDNESDAY, January 24, 1912.

PRESENT:

Honourable A. B. MORINE, K.C., *Chairman.*
G. N. DUCHARME, Esq., } *Commissioners.*
R. S. LAKE, Esq., }

The examination of Mr. Donnelly, Engineer of the Timiskaming Dam, was continued from the previous evening.

HAROLD HIGMAN DONNELLY.

By the Chairman:

Q. Were you dealing with the question of housing and heating on the Quebec side, when the work was begun at the end of 1910. I think you said that prior to the going out of the coffer dam on the Quebec side there was very little cement or concrete work done? A. Yes, sir.

Q. Had that been done in the cold season when housing and heating was necessary? A. No, that was done some time in April.

Q. So there really was no housing and heating done? A. No, sir.

Q. I notice in the account of Kirby & Stewart there is an item for the heating of the building of $2,422.29? A. Yes, sir.

Q. What building would that be? A. That is material for heating building. They were ordered to have the material on hand, the lumber and steam coils so as to be ready to erect a building over the concrete and heat it.

Q. That was on hand and has been taken over by the Government? A. Yes, sir.

Q. And that material would form part of the plant valued by Mr. Griffiths? A. No, sir, it does not come under the heading of plant.

Q. Has any account of it been taken in order to see what value it was? A. Yes, sir, it was checked when it was delivered on the work.

Q. And of course the charge for it is included in the general amount which the contractors are asking for? A. Yes, sir.

Q. In the summer of 1911 the Department commenced the work of coffer damming on its own account across the Quebec Channel? A. There was no preparation made until some time in August, late in the summer.

Q. When it was undertaken under the foremanship of Filion? A. Yes, sir.

Q. And under your direct charge? A. He had direct charge of the actual coffer damming.

Q. What was your official designation? A. I am Assistant Engineer to the Engineer in Charge, actually on the ground.

Q. You would be there ordinarily every day of the week? A. Yes, sir.

Q. Mr. Coutlee is the man in charge? A. Yes, sir.

Q. How frequently as a rule would he visit the work A. I could not say off hand, sometimes three or four times a month and at other times not so often, about twice a month.

Q. His headquarters were in Ottawa? A. Yes.

Q. And I suppose, besides his work on that particular dam, he had the oversight of other works? A. Yes, sir.

Q. After the coffer dam went out and until the work was undertaken under the charge of Filion what was being done? A. There was a small gang of men kept working at the Ontario Channel making small improvements there.

Q. Under the Government? A. Yes.

Q .Was anything done by the contractors? A. Yes, we were directing that work, and they were supplying the men and the tools and the material.

Q. Outside of their contract? A. Yes, sir.

Q. What I meant was this: their force was at work on the coffer dam at the time the freshet carried it away? A. Yes, sir.

Q. They were engaged in making it tight? A. The work was changing around about then, from coffer damming to permanent work.

Q. Yes, but they had their staff there? A. Yes.

Q. How many men would there be at that time? A. I believe about 240 or 260 men.

Q. That was in the month of May? A. Yes.

Q. That was the largest party ever there, was it? A. Yes.

Q. Immediately on the dam going out were those men dismissed? A.Yes, a few days after.

Q. And no coffer damming was undertaken? A. Not till the Government started on the work.

Q. Not till the Goverment started on the work? A. No.

Q. Was it not possible to begin preparation for coffer damming? A. The water would be too high to float the cribs out.

Q. But there easily could have been preparations made for the preparation of the cribs? A. We could get timber on hand.

Q. Does that timber require to be cut to lengths and made ready to be put together? A. Some foremen require round timber and others require the timber sawn and squared.

Q. Do you mean that the foreman required some of one kind and some of another? A. Yes. Now, Mr. Filion in charge of the crib building now, preferred to use the square timber.

Q. What I mean is this; if the contractors had merely in view the object of getting the work done as quickly as possible, was there anything they could have gone on to do during the summer in preparation for the coffer damming when the water

went down? A. Yes, sir, if they looked ahead they could get stone filling on hand and timber on hand.

Q. Apparently after the coffer dam went out the contractors acted as if they did not intend to complete the job? A. Yes.

Q. They kind of threw up their hands and didn't care? A. Yes, sir.

By Mr. Lake:

Q. That was your belief at the time? A. That was my thought.

By the Chairman:

Q. Based up on the things that were not done? A. Yes, sir.

Q. Was not timber collected during the summer up to the time that Filion was put on the job? A. No, sir.

Q. Then there would be considerable delay after he went to work to get the timber? A. Yes, sir.

Q. Would that last over several weeks? A. Yes, sir, it would last perhaps two months.

Q. That timber would have to be brought a long distance? A. Some of it was delivered on the work by contract, and some of it brought down about two and one-half miles.

Q. It had to be cut down I suppose? A. Yes, sir.

Q. And specially for that work? A. Yes, sir.

Q. And then what had to be done with it? A. It had to be floated down to the work and sawn there.

Q. Sawed by hand? A. No, sir, there was a sawmill there.

Q. Belonging to whom? A. Belonging to the Government.

Q. As part of the plant? A. Yes, the Government bought a mill and erected it when the work was resumed.

Q. Kirby & Stewart had nothing of the kind there? A. No, sir.

Q. But that could have been done very early in the summer? A. Yes, sir.

Q. Besides the erection of the mill and the getting of the timber, and so forth. Filion would have to prepare for the ballast to sink the crib? A. He would just say what he wanted and the men under my charge would get it.

Q. When I said Filion would have to prepare, what I meant was that the whole work of collecting the stuff had to be started? A. Yes.

Q. And the work done in the bed of the river was by blasting? A. It was done by blasting perhaps 1,500 feet above the coffer dam site.

Q. That took you how long? A. We were able to prepare the stone as fast as it was needed in the cribwork.

Q. What time was the actual work of sinking the cribs possible, what was the earliest that you could have got the cribs floated out? The water, I suppose had to get a little low? Could cribs have been floated out in August, for instance? A. Yes, with more difficulty.

Q. But still it was possible? A. Yes.

Q. What is the lowest time of the water? A. The lowest time is just in March and the middle of April.

Q. From August on, does it keep on getting lower and lower? A. Yes, as a rule.

Q. And you don't expect any increase or freshet until the spring comes? A. At times there is a rise in the lake's surface, sometimes in the fall.

Q. Due to heavy rains? A. Yes.

Q. But that would not be serious? A. Well, it was serious in 1910.

Q. But not in 1911? A. No.

Q. So that the work of coffer damming could have gone along from August right through 1911? A. Yes, sir.

Q. And a considerable time was lost by the fact that active wrok was not commenced to prepare immediately after the dam went out in May, 1911? A. Yes, there was some time lost.

Q. Do you know Kirby & Stewart personally? A. Yes, sir.

Q. Did you know them before you went on the dam work? A. No, sir.

Q. Where did you see them? A. I met both gentlemen on the work at different times.

Q. Were they there regularly, either one of them? A. In 1909, they were there quite frequently, but not in 1910.

Q. Who was there the most frequently, Kirby or Stewart? A. Mr. Kirby.

Q. He was the man who had most to do with the actual operations, was he not? A. He seemed to me to have the most to do with them.

Q. I understand he is what is called a practical man to some extent? A. Yes, sir.

Q. In 1909, he was there oftener than Stewart? A. Yes, I believe he was, until towards the end of the work Mr. Roger was there nearly all the time.

Q. Who was Mr. Roger? A. He is a member of the firm.

Q. Is he a member of the firm or an employee of the firm? A. I understand he is a member of the firm.

Q. In what year was he there pretty nearly all the time? A. At the time of the unwatering of the Quebec Channel.

Q. That would be when? A. 1910.

Q. I see a letter here from Mr. Coutlee to the Deputy Minister, dated the 4th February, 1911, which says:—

> "Mr. Donelly has been trying his best to direct the work at Timiskaming as the Department is paying for the coffer dam, but the contractors, Messrs. Kirby & Stewart, are never upon the work themselves and never have been. Their negligence amounts to a breach of faith with the Department at this critical stage of the operation and I wish to protest emphatically."

A. Yes, it was after that letter was written that Mr. Roger came on the work and stayed there practically all the time.

Q. He was not there before that? A. No, sir.

Q. Was he there at all before that or was it very seldom he was there? A. He might have been there to visit.

By Mr. Lake:

Q. Roger was there from February to May? A. Yes, sir.

By the Chairman:

Q. Is the language just quoted by Mr. Coutlee a fair criticism of the fact? A. Yes, sir, my idea of constructing work is that some member of the firm should be on the work continually.

Q. And you believe that the work suffered in 1910 from the fact that they were not on the work? A. Yes, sir.

Q. In their absence during 1910 who had charge for them of the work? A. They had different superintendents.

Q. Do you mean at different times? A. Yes, sir, I cannot say just when a new man came on. They had four superintendents altogether.

Q. During 1910? A. No, during the time they were at Timiskaming.

Q. Up until Mr. Roger came on the work? A. Yes, sir, the fourth man was in charge there at that time.

Q. Prior to Mr. Roger coming, there had been three men come and gone? A. Yes.

Q. What was the name of the fourth man? A. Charles Chesbro.

Q. What was the name of the man before him? A. Morrison.

Q. Do you know where he belonged? A. He came on the work, I do not know his initials, he came from Peterborough, but I believe he was originally an American.

Q. Was he there in 1910? A. Yes, sir.

Q. How long? A. About three months.

Q. Was it under him that the Quebec coffer dam began? A. No, sir, that was Mr. Chesbro.

Q. The men that were there before had to do with the Ontario side? A. Yes, sir.

Q. What was the name of the man before Morrison? A. MacNair.

Q. And before him? A. Wade.

Q. The general character of these men was that of foremen? A. Called superintendents.

Q. I was speaking, really, of the standing of the men, and whether they were of the foreman class? A. Yes, sir, just outside men.

By Mr. Lake:

Q. Do you know, to your knowledge, the reasons why the superintendents left? A. Wade was dismissed. MacNair died on the work. Morrison had some trouble with the Engineers and resigned, and Chesbro stayed.

By the Chairman:

Q. Generally, up until the time that Roger came on the work, we can say that you were dissatisfied with the progress of the work? A. Yes, sir.

Q. And you did not think that the contractors and their men were up to time and pushing the work as it ought to be pushed? A. Yes, sir.

Q. We find in the minute of Council passed to take the work over from these people altogether that it says they are to be paid for the work done which may be regarded as necessary. In the Order in Council, dated the 11th of August, 1911, the following language occurs:—

> "That the work already executed, which may be considered as absolutely necessary, be paid for at its actual and reasonable cost."

Can you mention any work that was done by Kirby & Stewart that you did not consider absolutely necessary? A. I do not recall any at the time.

Q. You cannot suggest to us what is meant by these words? A. "The work already done which may be considered as absolutely necessary." A. No, sir.

Q. Generally speaking you would say that all the work that was done was absolutely necessary? A. As far as I can remember, of course, their methods at times did not agree with what I would think a right mode of proceeding.

Q. Their methods of doing a particular work in your opinion was sometimes not a right method but the thing that was done would be a necessary thing to be done. I will put it this way: you think the object to be accomplished was a necessary thing, but that the manner of doing it did not always please you? A. Yes, sir.

Q. In what respect would the manner of doing it not be according to your view? A. At times the men were kept doing work that might have been done by machinery or horses.

Q. Would you say generally that in your opinion there was a waste of money in not doing things by machinery which was done by men? A. Oh, yes.

Q. Loss of money and loss of time? A. Yes, sir, but not great loss of money.

Q. There would be a considerable loss of time, I suppose? A. Yes, sir.

Q. Speaking upon the whole, in consequence of the methods which were followed, was there a great loss of time compared with what might have been done if the work had been vigorously prosecuted? A. Yes, sir, on the whole work.

Q. It was not vigourously prosecuted was it? A. No, sir.

Q. If you had had charge of that work for the Government, with the means that could have been got around there in men and material, might the work have been greatly hastened from the outset? A. I believe so.

Q. I find there are the words used also:—"Paid for at its actual and reasonable cost." It would appear that the actual cost might not be the reasonable cost? A. Yes, sir.

Q. In other words that the actual cost might be too costly? A. Yes, sir.

Q. In your opinion, was there in fact a considerable difference between the actual cost of the work done by the contractors and the reasonable cost of that work? A. In the whole work I believe there was.

Q. You have not had time to prepare these memos. that we asked you for last night? A. I will try to get them this afternoon.

The witness then made this statement: I would like to correct a statement I made yesterday afternoon. When we were changing the work from the Ontario Channel to the Quebec Channel, there was no distinct finishing of one and starting of the other. The first part of the Quebec Channel work was being done while the other was being finished and I said yesterday that only the shore end of the coffer dam was built when the Ontario side was blown out, but there was more work done in the Quebec Channel than that. The coffer dam was nearly one-half way across the stream and about three-quarters height before the Ontario coffer dam was put down.

By Mr. Ducharme:

Q. How high was the coffer dam made on the Ontario side? A. About six or seven feet.

Q. You said yesterday that there was but little damage done to the concrete work on account of the frost? A. Very little.

Q. Can you estimate that damage? A. Yes, sir, we have the quantities that were frozen, that were picked off, in my notes in the office.

Q. Can you give us that? A. I could get them from Timiskaming.

Q. What size was the dam built in the Ontario Channel? A. It was about two hundred feet long.

Q. From one shore to the other shore? A. From the Ontario shore to the island shore.

Q. And how high? A. About six or seven feet.

Q. How thick? A. About five feet. Are you referring to the coffer dam?

Q. No, I am referring to the dam that was built, the concrete dam? A. Then I beg your pardon, the piers are five feet wide, they are the same width all the way up and twenty-four feet high.

Q. And the dam itself? A. The concrete is about four hundred and eighty feet long with sluiceways at intervals. The dam is not a continuous structure, naturally the wooden stop-locks are placed between the piers.

Q. How high would the concrete work be? A. Twenty-four feet.

Q. How thick was the dam? A. Five feet.

Q. Your coffer dam was only six or seven feet? A. Yes.

Q. Why was the dam made four hundred and eighty feet long when the coffer dam was only four hundred feet? A. The coffer dam was built on the natural channel, but that channel is to be improved to 400 feet wide, to nearly the width of the main dam.

Q. You say that there was a crib made on the island? What would be the idea of that work? A. That was to join up the two systems of sluiceways.

Q. Was it to come level with the dam itself on both sides? A. Yes, roughly.

Q. How high was that work on the island? A. It varied from three feet to ten feet.

Q. The dredge *Queen* was working there? A. Yes, sir.

Q. Was that dredge there when you arrived on the work? A. It arrived about the same time as I did or perhaps a little before or a little after.

Q. What kind of work does the dredge do there? A. Excavating the upper channel above the Ontario sluice.

Q. Not on this contract work? A. No, sir.

Q. Do you know where the first dam was to be built? A. I know the location.

Q. Is it just as dry there as it was where you built the dam a second time? A. No, sir, there is more water there. There is less water where the dam is being built. There is more water at the head of the island than at the other place.

The CHAIRMAN.—By more water you mean a greater depth of water? A. Yes.

By Mr. Ducharme:

Q. It was more advantageous to change the location? A. Yes.

By the Chairman:

Q. How do you mean more advantageous? A. Half of the work could be done on the dry or nearly dry, at the second location.

Q. And therefore that would be to the advantage of whom? A. It would be to the advantage of the contractor and the Government. The contractors would meet with less difficulty and it was supposed it would be finished sooner.

By Mr. Ducharme:

Q. You saw the second dam in the Ontario channel which is about 480 feet; how long would be the Quebec Channel dam? A. About 415 feet. The Ontario dam is some 75 feet longer than the proposed Quebec dam.

Q. How long would have been the first dam proposed? A. I do not know it would be longer, the wooden dam would be about 1,500 feet.

By the Chairman:

Q. That would include the bulkhead on the island? A. Yes, sir.

Q. And that bulkhead would be on dry land at low water? A. Yes, sir. But the other figures for the concrete of 800 feet do not include the island. The old dam would be 1,100 feet of cribwork and 380 feet of bulkhead.

By Mr. Ducharme:

Q. From the first wooden dam on the Ontario side to the present dam on the Ontario channel, what is the fall? A. There is a rise of from 12 to 14 feet. The natural bottom of the stream was that much deeper where the wooden dam was to be put than it was where the concrete dam was actually put. The bottom where the wooden dam would have been is 14 feet lower than the natural bottom.

Q. Is there not a fall and a swift current there? A. Not naturally on that side.

Q. There was more water where the wooden dam was to be built than at the place where it was actually built? A. Yes, sir.

Q. Therefore the construction of the dam on the present location would not be any more costly than it would have been had the dam been built at the former place? A. Except for the change of material.

Q. Same dam built in the new place would not cost any more than if built in the first location? A. It would have cost less at the second position than it would had it been built at the originally intended place. That is my opinion.

By the Chairman:

Q. You mean to say that that class of work, concrete work, and the depth of water, would be more expensive at the wooden dam site than concrete work at the new site? A. Much more.

By Mr. Lake:

Q. The change of site from the head of the island to where it was finally put would make the work less costly than it would have been in its original position? A. Yes, sir.

By the Chairman:

Q. The concrete work and the foundation would be less expensive to do at the new site than at the old? A. Yes, sir.

Q. Furthermore, if they had started to build a concrete dam at the old site, would not the difficulty of coffer damming have been greater and more expensive than at the new site? A. Yes, sir, much more.

Q. Because as a matter of fact, you could never get the old site dry at any season of the year without coffer damming? A. No, sir.

Q. And to build the concrete dam on the old site right across from the Ontario shore to the Quebec shore would have meant that the coffer dam would have to be built in deep water nearly to the island, right from shore to shore? A. Right from shore to shore.

Q. And then instead of having, as you have on the new site, two comparatively short coffer dams, you would have one long coffer dam all the way? A. Yes, and elaborate precautions would have to be taken to allow the water through one end.

Q. By having the two streams you could coffer dam one and do the work leaving the other open? A. Yes, sir.

Q. But if you had only the one coffer dam from shore to shore, you would have to take extra precautions? A. Yes, sir.

Q. Would not the strain on a coffer dam so long and not buttressed in the middle be very much greater than the strain on two coffer dams such as you built? A. Yes.

By Mr. Lake:

Q. Is the current greater in the Quebec channel than at the head of the island? A. Yes.

Q. Even taking that into consideration, the pressure on the coffer dam in the Quebec channel would not be so great as the pressure on the coffer dam on the first proposed site? A. Of course the pressure on the dam depends just on the height of the water alone. Where the current is stopped the pressure is the same. It is a little harder to place a dam in a current, but once the current is stopped the pressure for the same depths is the same, no matter where it would be.

By the Chairman:

Q. Speaking about that, when it was suggested here by another witness, that on the Quebec side, in consequence of the channel being narrower at the former site than it would have been at the head of the island, there was a much more rapid current, and the witness thought that would make the work of coffer damming much more difficult; what have you to say to that? A. Yes, it would, but at the first proposed site the coffer dam would have to be built ahead of the permanent work, and the depth of water increases as you go north, so that you would have a much higher coffer dam there.

Q. When you use the words "ahead of the permanent work," what do you mean? A. Further up the lake, north.

Q. Do you say that after the coffer dam is built, the strain upon it is a matter entirely of the height of the water? A. Yes, sir.

Q. Because there is no current when the dam is built? A. Yes, sir.

Q. Consequently the increase of difficulty from the current would be small in sinking the piers? A. Yes, sir.

Q. Once you get them sunk and your water stopped, the strain would be a matter of the weight of the water? A. Yes, sir.

Q. In the case of a long coffer dam from shore to shore north of the old site that was chosen, there would be nothing in the centre of the coffer dam except you buttress the coffer dam itself? A. Yes, sir.

Q. The point I wanted to get at is, whether the great length of a coffer dam unabuttressed and nothing behind it would not make the strain very great right in the centre through weight of water? A. Yes, sir, and a long dam of that length you could break just a little bit and it would open up so much more.

Q. And that would be subject to be swept up more quickly? A. Yes, sir.

Q. So that it actually made coffer damming very much cheaper to do in the position it was placed in than it would have been to coffer dam on the original site? A. Yes, sir.

By Mr. Ducharme:

Q. That would apply to unwatering: there would be less water to pump out? A. Yes, and the decreased area you would have to pump out would make it cheaper.

Q. There is quite a piece of work done on the island by earth filling; can you estimate the cost of the value of such work? A. I could estimate what it cost to put the fill there, but its value when there is pretty hard to say.

Q. How long was this fill on the island? A. Seven hundred and twenty-five feet.

Q. Do you know how much it did cost? A. I do not know.

Q. Could you estimate it? A. Yes.

Q. How much do you think it would cost, giving an estimate now right away? A. Roughly speaking, it would cost from $3,600 to $4,000.

Q. Was there an apron put to the dam ? A. Yes, sir.

Q. Would there have been one in the first dam just as well? A. It was the same style of dam.

Q. There was no extra apron put there more than whatever apron you would put to any dam? A. Not in that class of material in the geological formation of the bottom in that locality?

Q. You say that in the spring of 1911 the freshets took away part of the coffer dam on the Quebec side; how much of it went away? A. About one-half.

Q. How many feet? A. About 240 feet went away.

Q. That was from the island shore? A. From the Quebec shore to the centre.

Q. Was that a great loss? A. Yes, sir, it had to be built in again.

Q. What did it cost to put it there? A. It cost approximately $30,000 to replace it.

Q. As you did replace it? A. Yes.

Q. Do you know what the whole coffer dam work had cost at first? A. The whole work cost $61,400, that is what Kirby & Stewart put in the account.

Q. They called it unwatering Quebec channel? A. Yes. It cost some $48,000, and they have added 15 per cent to that, but part of that money was expended in unwatering, not only there, but it was all part of the same thing.

Q. It was all necessitated by the flood? A. Yes, sir.

By the Chairman:

Q. When that part of the coffer dam was swept out was the remainder of the coffer dam made useless? A. No, sir. Has the whole of that piece that remained been incorporated in the new coffer dam? A. Yes, sir, it is in use at the present time.

Q. So that you did not need on that portion which remained, to do any extra work? A. No, sir.

Q. The whole extra cost on the Government has been in replacing the part that went out? A. Yes, and of course there were smaller dams below that were injured also.

Q. Smaller dams that had been built by Kirby & Stewart? A. Yes, sir, and they all came under the same head.

By the Chairman:

Q. What were the smaller dams made for? A. The dam site there is in a pocket and a creek comes down just below the work, and the water backs in.

Q. These were necessary to make the place dry? A. Oh, yes.

Q. And were made in connection of the unwatering? A. Yes, sir.

Q. Now, this one went away from the Quebec shores, can you explain why? A. I believe the bottom along the Quebec bank had more soft material in it than the bottom out in the middle of the spring. In the middle of the stream there were just bare boulders, and the bank would be boulders filled around with sandy material, so that the bottom at the Quebec bank would be softer than in the middle of the stream, and it would have more tendency to scour out in the bottom of the stream.

Q. Could not the contractor have provided against that with proper care and attention? A. The top of the dam might have been decked and the water led past the back of the cribs so that any scouring action would not occur right under the cribs themselves.

Q. They might have discovered that afterwards, but I mean when it was actually done, did the contractor take proper care and attention to see that this work was properly done? A. They could not have done much. I do not believe they could have done very much, because they could not have improved the bottom; but if they had prepared the top, the scouring action might have been taken farther down below the cribs.

Q. When they began to work at the coffer dam, could they not find out when doing it that the bottom was soft? A. Yes.

By the Chairman:

Q. In other words, if a thoroughly skilful builder of coffer dams had been directing the work for the contractors, would he naturally have taken precautions such as you have described from observing the character of the dam on the Quebec shore, and which precautions were not taken in fact in this case? A. A scouring action like this is liable to happen at any coffer dam where the water goes over the top.

Q. That being so, I will come back to my question—an experienced and careful builder knowing it is likely to happen, would he in the regular course take some precaution such as you have described? A. Yes, and these precautions were thought of at the time, but it was not deemed advisable to spend any more money on the coffer dam because when the water went to the top of the coffer dam they would have to be blown out very shortly if the water was still rising.

Q. What would have to be blown out? A. The coffer dams.

Q. Who thought of these precautions and suggested them at the time? A. I believe I remember some of the contractors' men, either the Superintendent or Mr. Roger, discussing the matter, and also Mr. Coutlee and myself.

Q. Discussing it with you? A. Yes, sir.

Q. Who would have the right to say whether it should be done or not, when the discussion took place. Would that be a matter for the engineers to say, don't do it, or do it, or would that be in the discretion of the contractors themselves. Who would have the right to say, I will do that, or I won't do that? A. I believe the engineers would have the say, but things were not altogether clear on the work there, on account of the Department paying for the work and the contractors executing the work.

Q. That brings me right to this point—the contractors were to receive unit prices for doing the concrete work? A. Yes, sir.

Q. And they had a fixed sum in the contract for doing the coffer dam work? A. Yes, sir, in the original tender.

Q. In the contract? A. Yes, sir.

Q. And apparently, if the coffer dam went out, so far as the contract is concerned, they would themselves have to replace the coffer dam? A. Yes, sir.

Q. No matter how many times it went out, it would be their duty to replace it according to the terms of the contract, because it was a necessity to the concrete work they had to do later on, so that whether the coffer dam was sufficient or not, would seem to be entirely a matter for the contractors themselves, would it not? A. Yes, sir.

Q. For the simple reason that if an insufficient coffer dam was put there, they would be the loosers? A. Yes, sir.

Q. How deep the coffer dam should go, how long it would be, what precaution should be taken, was a matter entirely for the contractors? A. Yes, sir.

Q. To put it broadly, it was no person's business how they built it, provided they got the concrete work done later on? A. Yes, sir.

Q. What the Department would be interested in, would be that they made due haste in building it, so that the work on the dam would not be delayed? A. Yes, sir.

Q. From that position it seems as though the question as to whether the coffer dam was sufficient for a bottom of the kind that was there, would be a matter for the investigation and decision of the contractors alone? A. Yes, sir.

Q. And not the government engineer's business at all? A. No, sir, of course they would act on the engineer's suggestions.

Q. However, the engineers were really interested for the government as to the time that was going to be used? A. Yes, sir.

Q. If the engineer suggested not to do such a thing and by not doing it, the dam was swept away, the contractors would have no legal claim on the government for the cost of another dam? A. I do not think so.

Q. You do not see how it could be? A. No.

Q. In other words, the ultimate responsibility for what was done on the coffer dam was with the contractors and their superintendent? A. Yes, sir.

Q. Speaking as an engineer who was there and observing the work, and not in the light of what happened later on, but in the light of the information you had when the actual coffer-damming was going on, were the surrounding circumstances such that in your opinion a cautious and skilful builder of a coffer dam would have taken precautions which were not taken? A. Yes, sir, he would have made the dam heavier.

Q. You believe that reasons for making the dam heavier were visible at that time? A. Yes, sir.

Q. That was your opinion then? A. Yes, sir, talking over the scheme of decking the top of the dam to prevent scouring, it was also reasoned that after the water attained a certain level in the lake, if it went higher, damages would have to be paid to different towns along the lake due to flooding, and it was expected when the spring freshet came on the water was rising so rapidly, that the water would overtop the dam and the lake level would be at the extreme height, and it was thought to be cheaper to blow out the coffer dam and not spend any more money on it than to pay damages at these different points.

Q. You say it was thought that such a contingency might occur? A. Yes, sir.

Q. Who discussed that? A. Both the contractors and the engineers.

Q. You mean to say that if the water had risen to that height, and that flood had taken place, it might have happened that you would have had to blow it out? A. Yes, sir, and there were complaints at the time coming from people at the upper end of the lake that they were being damaged.

Q. But as a matter of fact, you did not blow it out? A. No, sir.

Q. It went away of its own accord, and you had nothing to do about that, and you don't know what you would have done.

By Mr. Ducharme:

Q. How long would it take to blow out 100 or 200 feet of coffer damming supposing the emergency should arise? A. Preparations were being made when the dam was being built, for placing dynamite in the cribs, and it might take two days to prepare and a couple of seconds to blow it out.

Q. You say preparations were made, but that it would take two days to blow it out? A. That was one scheme, but under another scheme it would only take twenty minutes to prepare and a couple of seconds to blow it out.

Q. In the spring of 1911, when this occurred, the Ontario channel was free? A. Yes.

Q. There was no coffer da min the way, there was nothing but the dam itself? A. Yes.

Q. And all the sluices were open in the Ontario dam? A. Yes, sir.

Q. Was not the Ontario passageway proving itself sufficient to take out the extra water? A. No, sir.

Q. Had the Ontario side been cleared out to the full extent it was planned? A. No, sir.

Q. The excavation which was intended had not been done? A. No, sir.

Q. You explained a little while ago that the two sides of the Ontario channel would be part of a scheme to widen them out as to make the stream much broader? A. Yes.

Q. Has that been done as yet? A. No, sir.

Q. This excavation that wants to be done and which had not been done, was not a part of the contract work? A. No, sir.

Q. That was part of the work the government undertook to do themselves? A. Yes, with the dredge.

Q. Was that going on to some extent in the summer of 1909 and 1910? A. Yes, sir.

Q. By the dredge *Queens*? A. Yes, sir.

Q. Had that work been pushed as rapidly as it might have been pushed? A. Yes, but the dredge was not suited for that kind of work.

Q. I don't mean if it was pushed by the dredge, what I mean is, in view of the great difficulty which did arise and the loss of the dam on the Quebec side, would that have been averted if all the dredging and widening contemplated on the Ontario side had been done? A. Yes, sir.

Q In other words, when you get the excavation on the Ontario side completed, and when you get the widening which you design completed, the coffer dam on the Quebec side would be under nothing like the same strain? A. I do not believe the water in the lake would rise so high.

Q. And the capacity of the Ontario stream to carry away the water would be more than doubled? A. Yes, sir.

Q. In the summers of 1909 and 1910, the conditions were such that with proper progress of the work, the Ontario channel could have been made to carry off a very great deal more water than it was capable of carrying off in fact? A. If the machinery could be erected in that time.

Q. You have had in view that the Quebec stream had to be coffer dammed and unwatered and a dam put up there—looking back now in the light of your experience, could not the Government part of the work have been done before this catastrophe in 1911 so thoroughly and completely, that the catastrophe might not have happened at all? A. That is provided a new dredge could be built on the lake in that time.

Q. Provided the machinery for doing the work had been on the lake, the widening and deepening would have averted trouble on the Quebec side? A. Yes, sir.

Q. You say that in order to have that machinery it would be necessary to have a dredge built there and transported in some way? A. Yes, sir.

Q. Was any attempt made at all to get such a dredge? A. I believe there was some talk of it but nothing done.

Q. There is no dredge there? A. No, sir.

Q. And you don't know how long it would have taken to arrange and get such a dredge ready? A. No, sir.

Q. You could have blown out a sufficient part of the coffer dam in twenty minutes if the necessity arose? A. Yes, sir.

By Mr. Lake:

Q. You said in your testimony that when the freshet took away part of the dam, they were just changing the work from coffer-damming to permanent work? A. Yes, sir.

Q. What do you mean by that? A. Up to that time, the men had all been engaged in building coffer dams and making them tight, and then when the bed was made dry, excavation was immediately started to prepare the dam for the permanent work, and so in that way the contractors took most of their men from the unwatering proposition and started them on the work which was to be permanent. The unwatering is a temporary work.

Q. I was asking you how the coffer dam was made. Is there any crib work placed on the shore at each end? A. Yes, there is cribwork built up the shore to continue the dam right up to the level that we expect to hold the water. We started to build the coffer dam when the water was fairly low and then we got the dam in. The water raised a little and it put these cribs on the shore under water, that is, there is a pressure on those cribs.

Q. Yes, so that is where you start, by the cribwork at the end? A. Yes.

Q. And at the same time it is to prevent the water from getting on the land, you know what I mean. The water would raise and go around? A. Yes.

Q. So you say this is made in such a way that it will resist the pressure of the water? A. Yes.

Q. This part of the dam that went away from the shore—wasn't it on account of that cribwork not having been properly laid? A. No, it was on account of the water scouring out the bottom under the crib. That is what we believe, of course we do not know.

Q. Now, when you arrived there on November 19, 1909—

The WITNESS.—October.

Q. October, 1909, did you see much timber there? A. No, there was a good deal of standing timber on the island.

Q. What do you call standing timber, trees? A. Yes.

Q. I do not mean that, I mean wood that has been carted there for the contractors? A. No, sir, there was none.

Q. Was there any cribwork? A. No, there was no cribwork required at that time.

Q. There was none? A. There was no timber there.

Q. No timber of any kind? A. No.

By Mr. Lake:

Q. Was there a coffer dam built in the fall of 1909? A. There was no coffer dam required; at that time that channel was dry.

By the Chairman:

Q. In answer to Mr. Ducharme you say at the time you arrived in the fall of 1909, there was no timber for the contractors? A. No, sir.

Q. And they had not previously used any timber in the work? A. No, sir.

By Mr. Ducharme:

Q. Here is what Messrs. Kirby & Stewart say in their letter—

The CHAIRMAN.—The letter of December 29, 1910, is the letter he is referring to.

Mr. DUCHARME.—He says that he needs to make preparation to obtain the necessary plant and outfit and supply all the timber required for the construction of the dam on the 14th November.

The CHAIRMAN.—1908.

Mr. DUCHARME.—And he says on the 12th day of December: "We had gone on preparing that timber and plant to the extent of over $20,000."

The CHAIRMAN.—20th December, 1908.

By Mr. Ducharme:

Q. From what you know was there any such thing there as plant or timber to the amount of $20,000 on the place? A. I would not say.

Q. Was there anything? A. There was timber that they had used in May—

The CHAIRMAN. You are asked if there was any on the place and you have answered there was not when you went there in the fall of 1909.

By Mr. Ducharme:

Q. In the month of October, 1909, there was no such thing? A. No, sir.

Q. There was no plant or timber? A. There was plant for other work.

Q. What kind of plant had they? A. They had a cable way set up and two large derricks with hoists.

Q. Steam derricks? A. Yes, steam derricks, and several small boilers and one large boiler.

By the Chairman:

Q. What kind of plant was afterwards brought in and used by them in the work? You say it was not there when you went on in October, 1909. A. We brought in a steam shovel, that was the principal item.

Q. For excavating? A. Yes, sir, and concrete mixers.

By Mr. Ducharme:

Q. There were no concrete mixers when you got there? A. There might have been an old one, but it was not set up.

Q. And there were not sufficient mixers there? A. No, but of course there was considerable excavation to be done before they could use these mixers.

Q. But that steam shovel would be necessary for that excavation? A. Yes, the steam shovel might have been there the first thing.

Q. I mean on the Ontario channel, the work of excavation could have been almost continuous during the summer of 1909, could it not? A. Yes, well—

Q. In some part or other of the channel? A. Late in the summer. Of course 1909 was an extremely dry year in the history of the water.

Q. When did that steam shovel come in? A. The latter part of November or the 1st of December, thereabouts.

Q. There would have been time for three months excavation before that, would there not, November, October and September. They might have been excavating all those months? A. October at least, October, November and December.

Q. You said in your testimony that blasting about 1,500 feet above the coffer dam would have to be made? A. That was quarry work.

Q. But the distances seems to be very long.

The CHAIRMAN.—He meant that they would have to go that distance to get the centre they would require to put in the coffer dam.

WITNESS.—We are talking about the present work there.

By Mr. Ducharme:

Q. Can you give the full name of Mr. Rogers?

The CHAIRMAN.—Mr. Coutlee will give us that when he comes in.

WITNESS. No, he is a contractor I think.

By Mr. Ducharme:

Q. The cribwork done at the coffer dam in the Ontario channel was all made in round timber? A. Yes, sir.

Q. There was no sawed wood near the cross-section? A. It was all round timber.

Q. As it comes from the wood? A. Yes, sawn in proper lengths.

Q. And was the work on the Quebec side of the coffer dam done the same way? A. Yes, that was round timber too.

Q. There was no sawed wood until you got your own sawmill? A. No, sir.

Q. Were you ever approached while you were there working as to reports or as to whether the work could be done or in anything in relation to the contract? Were you approached in any way by the contractors or by any employees of the Government? A. Suggestions you mean?

Q. Or suggestions, yes? A. Well, of course when I was in charge I talked the work over a good many times with the contractors' superintendent there.

Q. I mean, were you never approached in a way to induce you not to do your duty? A. Oh no, sir.

Q. You were never approached in that line? A. No, sir.

Q. Nobody spoke to you about that? A. No, sir.

Q. And nobody spoke to you about the testimony you were to give here? A. No, sir.

Q. Whenever Mr. Coutlee would write the Deputy Minister or the Assistant Deputy Minister, would he consult you? A. No, he did at times if I was in Ottawa, and he happened to be writing.

Q. Writing to Ottawa? A. Yes, sir.

Q. Were there any soundings made there while you were there? A. What do you mean, sir.

Q. Soundings of the foundation or bottom of the river? A. No, all the test pits and bore holes were made before I got there.

Q. The price asked for the coffer damming and unwatering was to be $4,000? A. Yes, sir.

Q. That is for the whole work? A. Yes, sir.

Q. Would you consider that a ridiculous price? A. Pardon?

Q. Would you consider that a ridiculous price? A. Yes, sir.

Q. You would? A. Yes, sir.

By the Chairman:

Q. It could never have be done for that amount? A. No, sir, not in my opinion.

Q. Is there any doubt at all about it? It was to have a coffer dam all the way for the wooden dam that that sum was put down in the first place. Is $4,000 a reasonable amount to suggest for such work? A. Not at all.

Q. One of the tenders went as high as $54,984, wasn't it? A. The highest, Lumsden, put in $54,994 for the coffer dam that was needed in front of the wooden dam. From your knowledge of the lake and surrounding country, do you think that amount would have been a fair estimate for coffer damming? A. No, I think it would cost more than that.

Q. More than $54,000? A. Yes, sir.

Q. Well, from that answer it follows that the $4,000 was in the words of Mr. Ducharme a ridiculous amount? A. Yes, sir.

By Mr. Ducharme:

Q. You are a civil engineer, are you not? A. Yes, sir.

Q. As a civil engineer, if you had seen that price wouldn't it have struck you as ridiculous? A. Yes, sir, it always did.

By Mr. Lake:

Q. Is there anything else you would like to say to the Commissioners by way of giving us a clearer understanding of any part of the evidence you have given or in regard to the work generally?

The CHAIRMAN.—Any statement you would like to make about the matter.

The WITNESS. The only thing is, I consider the contractors were very unfortunate in securing very poor men to look after their work there, and the only good man that they got died on the work.

By the Chairman:

Q. He was— A. McNair.

By Mr. Lake:

Q. Is there anything else you would like to say, any other point you would like to mention? A. I would think that when the contractors were in difficulty with the Quebec channel coffer dams—

By the Chairman:

Q. In May, 1911, do you mean when it went out? A. Yes, or even before that, in October, 1910, when the water came up in the lake it was very high water for the fall of the year. The contractors had to discontinue work on the Quebec coffer dam and I believe that they were ready to throw up the job at that time if they had not been able to make some arrangement to get additional money for unwatering that channel, and if the work had been taken away from them and re-advertised for tenders, it would have cost a good deal more.

Q. It would have cost a great deal more—what would have cost a great deal more? A. The coffer dam and the remainder of the work.

Q. Would have cost a great deal less, you mean? A. No, a great deal more. And a new firm coming in there would have put a bigger price on that work than a cost of fifteen per cent.

Q. You mean to say, for that part which they had built and which remained? A. Also the part that went out.

Q. A sufficient comment on that is that if a new firm had come in and built that coffer dam, it would have been built in such a way that it would not have gone out, and you would not have had to build a great deal over again. You are speculating, because you told me just some time ago that if thoroughly competent builders of coffer dams had been at work they might have taken precautions that were not taken in this particular case? A. Yes, but I also said that the contractors had some reason for not spending more money on the dam at that time.

Q. But if more money had been spent on the dam, it would have been a better dam? A. Yes, but we have no assurance that it would not have gone out.

Q. What you intended to say was this, I suppose, that if new men had come in at the end of 1910 and undertaken to build the same kind of coffer dam across there, they would naturally have charged more for it than these men would charge for it having their plant on the ground? A. Yes.

Q. Of course that is obvious. You cannot tell what other results might have followed from new men coming in to begin work. Let me ask you this one thing, after coming on the work you made yourself familiar with all the testings that had taken place before that time by the Department to show the character of the location and so forth, didn't you? A. Yes, sir.

Q. Do you know that test pits had been sunk and soundings had been made, and so on? A. Yes, sir. For a time after I was on the work I had charge of the dredge work, and I was not active in the main office, although I am quite familiar with all the plant.

Q. You mean to say now you know what had taken place prior to your coming there? A. Yes, sir.

Q. Do you think sufficient precaution such as a high class hydraulic engineer, would take, was taken to ascertain in advance the nature of the Quebec side? A. There were some points in the work where it seemed they did not realize just what they were up against there.

Q. Who didn't? A. The contractors.

Q. But I was really asking whether you thought that the engineers' staff had taken sufficient precaution to ascertain the nature of the bottom on the Quebec side, and so advised the contractors? A. Yes, sir. The test pits that were shown on all the plans showed the nature of the soil on that side, but the contractors did not make any borings.

Q. Well, did they, as a matter of fact, have access to the borings made by the Department? A. Yes, sir.

Q. Well, then, did the result later on show that those borings had been correct in revealing the character of the bottom? A. Yes, sir.

Q. Then with those borings revealing the character of the bottom, was the coffer dam work done as it should have been done with that knowledge, so as to secure the bottom of the coffer dam from the scouring which took place? A. No, the coffer dam was not made heavy enough.

Q. Was not made heavy enough in the light of the information which they had before them at that time? A. Yes, sir.

By Mr. Ducharme:

Q. Do you recollect the state of the work about the 7th November, 1910? A. The Ontario channel.

Q. Yes. Do you remember the state of the work at that date? A. No, I do not remember just at that date.

Q. Or about November, 1910. Don't you remember what was the state in a general way? A. Things were pretty much at a standstill.

Q. Here is the reason I put the question. There was a letter sent to Messrs. Kirby & Stewart on the 7th November, 1910, telling them that their time for the finishing of the contract was extended to 31st December, 1910, giving them about seven or eight weeks. Now, was there any possibility of finishing the contract at the specified time, 31st December, 1910? A. No, sir.

Q. The Engineer writing this would know it was an impossibility? A. Yes, sir.

Q. Now, when you arrived there in October, 1909, at the present location of the dam, was there any water? A. On the Ontario side?

Q. Or was it dry in the Ontario channel? A. It was practically dry. There was a little water coming through the boulder seepage water it is called.

Q. From your knowledge now of the place do you think it might have been that way for quite a few months? A. Yes, it would have been that way until the following April.

The CHAIRMAN.—He told us before that the work could have been commenced there in August.

By Mr. Ducharme:

Q. It could remain that way until April? A. Yes, sir.

Q. Do you think the previous year it would have been about the same? A. No, I could not say.

Q. Well, when you had high water, how much water would there be at this place? A. About nine feet.

Q. That is at high water? A. At high mark.

Q. That is when the water became very high? A. Yes, sir.

The CHAIRMAN.—That is all we have to ask you in the meantime. I and my fellow commissioners have been very much pleased indeed with the character of the evidence you have given, and we will be pleased to say so in the proper quarter. You will get that other information that we asked for.

Witness retired.

TUESDAY, January 23, 1912.

CHARLES R. COUTLEE, called, sworn and examined.

By the Chairman:

Q. Where is your residence, Mr. Coutlee? A. In Ottawa, sir.

Q. Spent some years here? A. Some years, since 1905 or 1904, I think—1905.

Q. You are a civil engineer, by profession? A. Yes, sir.

Q. When did you first enter the employment of the Government? A. In 1889 first, I was employed with them from 1889 to 1900, and then I came back again in October, 1904, to the present time.

Q. Now, immediately prior to your connection with the Lake Timiskaming dam, you were connected with the Georgian Bay canal project, were you not? A. Yes, sir, I was one who was in charge of it.

Q. The Georgian Bay Canal project would use the Ottawa stream up as far as Mattawa? A. Yes, sir.

Q. From which the canal would go off towards North Bay? A. Yes, sir.

Q. In the flood season, in the spring of the year, the waters above Mattawa would gorge the Ottawa below Mattawa? A. Yes, sir.

Q. And make currents too rapid, I suppose? A. Yes, sir.

Q. For the convenience of navigation, by damming at the Long Sault and Timiskaming, those waters could be held back and allowed to come gradually at a later portion of the year. When the lower Ottawa would be partly run off, the water in the Ottawa would be run away to some extent? A. Yes, sir.

Q. And thus the gorging of the Ottawa below Mattawa would be avoided to some extent? A. Yes, sir.

Q. The scheme for putting a dam at Timiskaming originally arose in connection wtih storing water in the dry season for the use of the mills on the Ottawa? A. I believe so, yes, sir.

Q. And for that purpose the lower dam, or what was designed to be the lower dam, was eventually built? A. Yes, sir.

Q. After it was decided to change from wood to concrete as material for the dam, it was also decided to make the dam higher and hold back more water? A. I took charge of this after that decision had been made, and we then designed a dam between March, 1909, and July of that year. The design was worked up by Mr. Matheson and myself.

Q. That is exactly what I want. You took charge of the dam work on March 19, 1909, I find? A. Yes, March, 1909.

Q. Well, prior to that, there had been some surveys of the Ottawa a couple of years before that, and in the fall of 1908 there had been some tenders for a wooden dam that was intended to be put at the head of the Long Sault Rapids, and they were all in connection with the storage of water for the mill and other purposes? A. For water-power purposes, yes, sir.

Q. Now, when you came in from your previous connection with the Georgian Bay project, it immediately occurred to you, I presume, that by building the dam higher and making it a more permanent structure, value could be given to the Georgian Bay project? A. It was hardly that, sir. The Georgian Bay project was very far away, but it was more economical to make these dams larger, that is, to make the storage depth greater in the three lakes. The three lakes are included in that storage scheme, the original scheme.

Q. You use the word "economical" in the sense of strong water and power? A. Yes.

Q. You don't mean more economical to build the dam? A. In a dam it would be.

Q. I was speaking more of the increasing the height of that. You would not say it would be more economical to build the dam of concrete, but to increase the height you had economical considerations in view, the conservation of water? A. Yes, sir.

Q. And that conservation of water, giving a greater flow later on in the year than the low dam would have given, would at the same time serve a valuable purpose in the Georgian Bay project? A. Yes.

By Mr. Lake:

Q. Was it also considered to be of value to the people who were living on and using the three lakes you speak of? A. The population is very sparse there. The great value of it is in conserving for power purposes.

By the Chairman:

Q. Below? A. Below, yes.

Q. Now, you were made engineer in charge in March, 1909? A. Yes, sir.

Q. And you had as assistant Mr. Matheson? A. Yes, sir.

Q. Who afterwards went out to British Columbia to work? A. Yes, sir.

Q. Was he engineer on the work? A. Yes, sir, he was resident engineer at Timiskaming.

Q. After actual work began, I suppose? A. Yes.

Q. He was succeeded by Mr. Donnelly? A. Yes, sir.

Q. Was Mr. Donnelly's work practically the same as Mr. Matheson was doing? A. Of course Mr. Matheson has had greater experience than Mr. Donnelly. We worked together more, but so far as the work at the actual place is concerned, Mr. Donnelly was doing the same.

Q. You say in March, 1909, when you went to work, that none of the plans which were afterwards worked upon had commenced? A. No, sir.

Q. What would be the first thing you had to do in making plans? A. Well, Mr. Matheson and myself considered the whole scheme of storage, including the other lakes, and we then went into a study of the hydraulics of the river as far as possible at that time.

Q. Meaning by the word "hydraulics" what? A. The conditions of flow and the regimen of the river.

Q. The depth and the height to which water might go in different seasons? A. And the quantity that would be possible.

Q. Yes, you considered that. Well, after these considerations, what was the first practical step you took? A. The first practical step we took was to make some test pits for the foundations.

Q. When were they made? A. They were begun in March, I think, sir, and carried on till April. I think the work was closed up in April.

Q. Nothing that had been previously done would be of any value in those tests? A. Except the survey work.

Q. But I was speaking more particularly of the test pits? A. No, I do not think there were any test pits made.

Q. As a matter of fact, the site which you eventually chose, and where, I presume, you made those tests, was a different one intended for the wooden dam? A. Yes.

Q. By the way, did you change the location after making your test pits, or did you first decide where you would locate the dam and then make test pits? A. We made test pits first, examined the bottom.

Q. And did you at that time examine the bottom where the Quebec dam was ultimately started? A. We had a test pit on each side of the Quebec channel. It was impossible to make a test pit in mid-channel on the Quebec side.

Q. Impossible because of the season of the year? A. No, it was a running rapid.

Q. So that even at low water you could not make it there? A. No, sir, it was low water then, as a matter of fact.

Q. Then you had to reason from what tests you made what you might expect to find where you made no tests? A. Yes.

Q. But you did nothing at all to ascertain the nature of the bottom of the centre of that Quebec channel? A. No, sir, not in the centre of the Quebec channel.

Q. That was not possible? A. It was not practicable.

Q. Just anticipating a little bit, the coffer dam which was built on that side broke away in the spring of May, 1911? A. Yes, sir.

Q. At the place where that coffer dam broke away, on the shore side, had you made any test pits at any time? A. I think the test pit was fairly close to the end.

Q. Near the side of the dam? A. Yes, about 100 feet below.

Q. Did your test pits at that place reveal a bottom which your later experience of the coffer dam shows you to have been there? A. No, sir, the bottom is a boulder mess filled in with light soil, and when a boulder is disturbed the light soil is easily moved by the current.

Q. Well, was that true of the place where you began the test pit as well as where the coffer dam was to be; on that side was there any difference in the bottom? A. No, sir, I think that would be true of where the test pit was put down, though perhaps we did not realize it at that time that the soil was of that nature.

Q. Well, now, after finishing your test pits the next best thing was to get back and have the plans prepared, I suppose? A. Yes, sir.

Q. And you came to a couclusion on that? A. Yes, we were at Ottawa and

Q. And you came to a conclusion on that? A. Yes, we were at Ottawa and went up to Timiskaming to make the different investigations.

Q. Testings? A. Yes, sir.

Q. And then you came back? A. Yes, sir.

By Mr. Lake:

Q. You came back from where? A. I think we decided on the site of the ground.

Q. I suppose we may assume that you decided on the site on the Ontario side because it was driest at that place in the low season, or will you tell us exactly why you chose that site on the Ontario side? A. Those test pits are shown here (referring to map).

The CHAIRMAN.—The test pits are shown on the linen plan showing the general site.

By the Chairman:

Q. Bore hold No. 1? A. Was in the middle of the Ontario channel.

Q. About how many feet? A. About 150 feet above the present dam. It was some 42 feet looking to the rock.

Q. The plan for the wooden dam was to have it built at the north end of the island? A. Yes, sir.

Q. What led you to put the Ontario end of your concrete dam lower down the stream? A. We found it necessary to increase the cross-section of discharge.

Q. At the site chosen for the wooden dam, then you had not put in a dam, or there would be some water? A. Yes, sir.

Q. And consequently in order to build a dam there it would be necessary to coffer dam, wouldn't it? A. I do not think so. I think it could have been built without coffer damming I think without at least expensive coffer damming.

Q. The cribs might have been floated out and dropped into place without coffer damming. If it had been necessary for any part of that old site to be coffer dammed what portion would be coffer dammed, that is, if it had been necessary to coffer dam any of the work at the old site? If any coffer dam had been needed it would have been on the Quebec side? A. Yes, sir.

Q. Now suppose you had started to build a concrete dam at the site intended for the wooden dam, is it still true that coffer damming would not have been necessary? A. Oh, no, it would not have been necessary for a concrete dam at the old site.

Q. As that old site showed a dam running across both streams in a straight line, if built of concrete, coffer damming would have been necessary almost the whole way? A. It could have been made in two sections.

Q. The middle section on the island? A. Would have been high and dry you see.

Q. At low water? A. Yes.

Q. The middle section of the old site was dry at low water? A. Yes, sir.

Q. And no coffer damming you think would have been necessary there? A. No, sir.

Q. Will you tell me, looking at this paper plan which shows the old, the originally proposed wooden dam, if the dam had been made of concrete how many feet of coffer damming would have been necessary? A. About 800 feet, sir.

Q. How much coffer damming was necessary at the site on which the dam on the Ontario side was built, and the dam on the Quebec side would have to be built. Take the Ontario side, how much coffer damming was necessary on the Ontario side? A. On the Ontario side we must have had about 100 feet.

Q. And how much coffer damming was done on the Quebec side? A. About 400 feet.

Q. So we have this, if the dam had been constructed on the old site, there would have been 800 feet of coffer damming, and on the new site 500 feet? A. Yes, sir.

Q. There being deeper water at the site of the wooden dam, the site chosen for the wooden dam, than at the site where the concrete dam was actually put on the Ontario side, the coffer damming for the concrete dam at the old site, as I will call it, would have been higher than was actually necessary at the new site? A. Yes, sir.

Q. And on the Quebec side would that be actually true? A. It would be a little more, about the same.

Q. About the same, because you did not go very far down stream for a site for your concrete dam on the Quebec side? A. No. sir.

Q. You kept nearer the original site? A. Precisely.

Q. Then as to the difficulties of coffer damming at one site or the other—for a concrete dam I mean—would they vary much? A. Not very much, sir.

Q. For instance, on the Quebec side, the site not being changed very much, the current would have been about as rapid at the old site as at the new site? A. Pretty nearly.

Q. And the depth about the same. A. Yes, sir.

Q. While on the Ontario side the current certainly would not be greater because it was dry at time the concrete damming was done? A. Yes, sir.

Q. While on the other hand, at the old site, the coffer damming would have been done in water all the time? A. Yes, sir.

Q. Now, what I am getting at is this, you will recall that in the original tenders, the amount put in for coffer damming by Kirby & Stewart was $4,000, and in the case of the highest tender, Mr. Lumsden, it was $54,994? A. I do not remember the figures.

Q. Well, that was the amount. Now for coffer damming for a wooden dam, if your view is right as to the way in which the wooden dam might have been built, the amount it would cost would have been uncertain? A. That is for the wooden dam?

Q. Yes? A. Yes.

Q. Depending on the view which parties might take as to the best way to build a wooden dam? A. Yes, sir.

Q. Some persons might have begun by building a wooden dam, coffer damming right across? A. Yes, sir, some might have taken that view.

Q. Especially taking such a high sum as Mr. Lumsden has quoted, that must have been in contemplation. As a matter of fact, when I am speaking about coffer damming, the word used is 'unwatering' in the tenders? A. It is easy to build a coffer dam, but it is a tremendous job to get it under water.

Q. In the tender where the word "unwatering" is used it includes coffer damming? A. Yes.

Q. Then the sum of $4,000 for unwatering quoted by Kirby & Stewart for the wooden dam might have been sufficient under certain contingencies? A. Yes, sir, it might have been.

Q. Would you regard it in many cases as a very low estimate? A. Yes, sir, I would regard it as very low.

Q. Probably indiscreetly low, having regard to contingencies even for a wooden dam? A. Yes, sir, in view of what we know to-day it is certainly very low.

By Mr. Lake:

Q. Did you know when you first went out with the view of looking for the place what the tenders for unwatering were? A. I don't think I did, sir.

By the Chairman:

Q. But later on, when Kirby & Stewart were told that the dam was to be built of concrete, they were not told at that time that a change of location would be made. that was in the winter of 1909? A. I do not think so.

Q. I am telling you the fact that is shown by the facts. During the winter of 1909, Kirby & Stewart were told that the Government had decided to change to concrete, and the engineer was asked to give the Department a statement of the quantities of concrete which would be required if they changed that wooden dam into a concrete dam. He supplied the quantities, and Kirby & Stewart were notified that they would be given a contract for a concrete dam. They were told at the same time that the sum of $4,000 for unwatering would not be changed but would be kept in. Now this is the question I want to put, would $4,000 be at all adequate for the coffer damming of a concrete dam at the site of the wooden dam? A. No, sir.

Q. It would not be within reasonable limits, would it? A. No, sir.

Q. Not at all adequate in any way whatever for such work? A. No, sir.

Q. Now then, we find the contractors went upon the work with some material about May, 1909? A. Yes, sir.

Q. You are aware of that personally? A. Yes, sir.

Q. After testing for your plan, and so forth, when did you return to the site? A. Oh, I was there several times.

Q. In the spring of 1909? A. Yes, sir. In connection with that there is a matter, some material was ordered, I believe before we went there.

Q. By the contractors, you mean? A. Yes, sir.

Q. When was any work actually commenced there? A. In May, 1909.

Q. The contract itself was not signed until 22nd July, 1909? A. No, sir, not until 22nd July.

Q. I find it was only ten days before that that the Chief Engineer reported that the plans and specifications were ready? A. I think so, yes, just about that time.

Q. Now, in the preparation of these plans and specifications, did you take part? Were they made by you? A. Yes, sir, I made what I may call the additional specification.

Q. Why do you call that an additional specification? A. Because there was nothing mentioned in the original specification.

Q. For the concrete dam? A. For the concrete. There was no detail of concrete work.

Q. What do you mean by the original specification? A. That is for the wooden dam.

Q. Well, wouldn't you make complete specifications for the concrete dam without regard at all to the old wooden dam specifications? A. Oh, yes, I did.

Q. Then when you speak of an additional specification, you simply mean the only specification you made for the concrete dam? A. Yes, I attached it to the old one.

Q. Before you could make specifications, the plans had to be completed, I suppose? A. Yes, sir, in fact they were done together.

Q. A specification had been prepared prior to the tenders which were made for a wooden dam? A. Yes, sir.

Q. When the preparations were being made to give the contract for the concrete dam, it became necessary to add to these specifications? A. Yes, sir.

Q. And that addition you call an amended specification? A. Yes, sir.

Q. And that was prepared by you? A. Yes, sir, with Mr. Matheson.

Q. To the contract which was actually signed in July, 1909 there was attached the old specification intended for the wooden dam, and the amended specification which you made for the concrete dam? A. Yes, sir.

Q. And the prices quoted in the tender of Kirby & Stewart for the wooden dam are made part of the specification? A. Yes, sir, I think there is a clause in there.

Q. Now, in that list of prices, item 24, is "concrete 1, 3 and 5 in foundation, $8.50 per cubic yard." What concrete was necessary for the wooden dam originally designed? A. I don't think there was any.

Q. I find no mention of concrete in the original specification? A. No, sir.

Q. Can you conceive what was meant by that phrase, 'Concrete 1, 3 and 5 in foundation'? A. That meant the proportions, one cement, 3 sand, 5 broken stone.

Q. It means the mixture of concrete? A. Yes, sir.

Q. Where might a quantity of concrete have been necessary in that wooden dam? Where can you suggest it might have been used? A. It might have been used in capping the cribs.

Q. That means used in the top? A. Above low water wood exposed to the air and water rots very quickly, so sometimes that is replaced by concrete from low water mark up.

Q. You are speaking of the cribwork in the foundation? A. Yes, sir.

Q. Which might be dry at certain seasons of the year? A. Yes, sir.

Q. Could you tell in any manner whether such work had been contemplated? A. The wooden dam plans don't show it.

Q. And the specification does not show it. Is there anything else from which it could be gathered? A. It does not mention it.

Q. If concrete cribbing had been intended for the wooden dam, should the plan show it? A. Yes, sir.

Q. You regard that as proper practice in drawing such plans that they should show so much concrete on top? A. Yes, sir.

Q. The reason I ask the question is this, that I find the judge of the tenders for the wooden dam had to make a price for concrete, because in the printed form of unit prices at the end of the form of tender supplied by the Department, there is clause 22 'Concrete 1, 3 and 5 in the foundation.' I notice that in Lumsden's tender he gives a quantity of 1,000 yards, and Rainboth gives 200 yards, and Conroy does not give any quantity? A. I always give the tenderers the proposed quantities in the work. Now, these fellows must have made up these quantities themselves.

The CHAIRMAN.—I notice that Kirby & Stewart place no quantity opposite the concrete.

Mr. LAFE.—They only give the price per yard.

By the Chairman:

Q. Now you notice in two of the tenders for the wooden dam it is assumed that some concrete might be necessary. A civil engineer like Mr. Rainboth only puts in 200 yards, and Lumsden puts in 1,000, while neither of these quantities would be sufficient for the capping of the cribwork, would it, if it was to be done? A. I do not think so, sir.

The CHAIRMAN.—Witness is asked to inquire in the Department and ascertain if he can what was meant by putting concrete in that way in the specification, what concrete was designed or even thought of for the wooden dam, and what, if any, information was given by the Department to the tenderers as to the quantity which would be needed or the place where it would be needed, or anything about it for that matter.

By the Chairman:

Q. In the amended specification which you prepared for a concrete dam, you found it necessary to add a lot of definitions of concrete? A. Yes, sir.

Q. And in the original tender the price, Item 20, referred to common excavation, 21 to rock excavation, and 22 to boulder excavation without giving any definition? A. Yes, sir.

Q. And in the amended tender you found it necessary to give definitions? A. Yes, sir.

Q. Describing what was meant by that class of excavation? A. Yes, sir. You understand that most of the lawsuits are over the classification of material.

Q. Most of the lawsuits are over the classification of material, and therefore it is a good practice to be very careful and accurate? A. Yes, sir.

Q. Now, having got your plan ready and having made your specifications and the contract July, 1909, being entered into, or about to be entered into do you remember whether any calculation of quantities of concrete were made up so as to ascertain what the work would cost? A. Yes, sir, we must have made them up, I cannot recall it just now.

Q. You think they must have been made up, but you do not recall it just now. We find many months later a statement in the Minute of Council that the amended quantities and the ancient prices harnessed together would amount to $176,000 and some odd, so there must have been at some time a making up of the quantities? A. Oh, yes, I have no doubt about it. I had submitted the quantities, but I don't see one in my book.

Q. You do not find any statement of quantities in your letter book, the book which you hold there is your letter book, in connection with this Timiskaming work? A. Yes, from March, 1909, to August, 1911.

Q. Why does it stop at the latter date? Does it go on in another book? A. Yes, another book.

Q. But those dates would cover all you had to do with the contract, I presume? A. I think so.

The CHAIRMAN.—The witness deposits a letter book from March, 1909, to August, 31, 1911, dealing with the Timiskaming matter, and will produce another letter book. Witness also supplies a list of the letters in the letter book.

By the Chairman:

Q. Going back to the question of the amended specification which you put in, I find that you provided there very definitely concerning coffer dams. A. Yes, sir.

Q. And you used the following language: "(5) Coffer dams—The bed of the river and shores at the proposed dam show great quantities of loose rock and boulders. The east channel is deep and swift, even at low water stages, but the west channel is then dry. At high stages, however, the channels on both sides of the island are formidable streams. Attention is called to the possible difficulty of keeping the foundation pits unwatered, in order that the foundation concrete will be securely joined into the surrounding material in such a manner as to prevent any leakage. The contractor may adopt any form of coffer dam, he being wholly responsible, and all damage from freshets or from any other cause shall be at his cost and expense. The contractor shall bear the cost of constructing all necessary dams, compartments,

pipes, drains, etc., and their maintenance for the full time required and their entire removal when directed. The contractor shall also bear the cost of providing and satisfactorily operating all pumps required to keep the water entirely out of the pits and this shall be done without injury to the concrete. The price for unwatering will be held to cover all plant, labour, material, failures, accidents or damage that may happen at any stage of the work from storms, scouring, settlement, ice, flood, fire or other cause."

By the Chairman:

Q. Well, now, the actual work of coffer damming was commenced when, on the Ontario side, I mean? A. During the winter of 1910, I think that was the first work they did.

Q. What was the first work that the contractors did upon any part? A. The first work done by the contractors was excavation for the west abutment of the Ontario sluices on the Ontario side.

Q. That was done when? A. During May, it began in May and continued during the season.

Q. Did they do any excavation in the river bed itself on the Ontario side during that summer? A. Yes, sir, this excavation for the abutments was extended on towards the island.

Q. Would that excavation go deep enough for the concrete work at that time, were they doing it deep enough, or had it to be gone over again? A. I think that was taken down enough practically to concrete.

Q. Tell me this, would not there be interference by water when they commenced it, and during the early part of the summer? A. No, sir, in the part they were working at, the excavation was hand excavation.

Q. Was that pushed with all the speed and expedition that might have been possible? A. No, sir, it went very slowly.

Q. What was the cause of the delay? A. The need of proper excavation machinery.

Q. And what about men? A. The force was small.

Q. Did you protest against it? A. Yes, sir.

Q. In writing, or verbally? A. Both ways, I think, sir.

Q. And through the summer of 1909 you protested? A. Yes, sir, the summer was practically lost.

Q. Quite frequently I notice in a later letter of September 8, 1909, the Assistant Deputy Minister informed the contractors: "You are not making good progress on your contract. Employ large forces to complete work as soon as possible.' That statement is true, I presume? A. Oh, yes.

Q. You were not making good progress? A. No.

Q. And you were reporting that from time to time to the Assistant Deputy Minister, I presume? A. Yes, sir.

Q. Well, what excuse, if any, were given, what reasons? Perhaps I will put it this way, was there any good reason, as far as you know why the work should not have been pushed on? A. No, sir, there was no good reason.

Q. Had the delay serious consequences later on on the whole work? A. Yes, sir.

Q. If the work had been done early very little coffer damming would have been required on the Ontario side? A. Yes, sir.

Q. That coffer damming would have been low? A. Yes, the height would not have been at all great.

Q. And you say in October, 1909, they got steam shovels? A. Yes, sir.

Q. Then, from that until the next spring, the work went much more rapidly? A. Much more briskly.

Q. The superintendents up till October were not efficient? A. No, sir, there was only one who was not efficient.

Q. If early in 1909 a number of men who could have worked a steam shovel had been provided, the dam across the Ontario channel could have been completed in a short time, the Ontario dam could have been completed, the channel excavated, and later on the great pressure on the Quebec side relieved? A. Yes, sir.

Q. As a matter of fact if proper excavation and widening on the Ontario side had been done in time, a very great quantity of water could have gone off through that channel? A. Yes, sir.

Q. The contract of Kirby & Stewart contemplated the excavation of a channel on the Ontario side? A. Yes, sir.

Q. To be done by them? A. Yes, sir.

Q. And that was not done in 1909? A. No, sir.

Q. Was it done by the contractors at all later on? A. The lower part was done by the contractors during the latter part of 1910.

Q. And the upper part of it? A. The upper part of that channel was excavated by the Departmental dredge *Queen*.

Q. When? A. During 1910.

Q. Well, now, why didn't the contractors at some time or other do the upper part of the channel as they had agreed to do? A. A special arrangement was made to do that upper part by the dredge in order to force forward the work.

Q. In other words it was taken off their hands because they had not gone ahead with it rapidly enough. Put it this way, you found they had not done it, and you desired to have it done, and the agreement was made with the *Queen* to do it? A. Yes, sir.

Q. You say that if the contractors had pushed the work in 1909, they would in 1910 have been able to commence the work on the Quebec side at a much earlier and better season than they actually did commence, and the work therefore would have been in a much more forward state in the spring of 1911, when the coffer dam went out? A. Yes, sir.

Q. Furthermore, the clearing out of the Ontario side would have been completed much more thoroughly in 1910? A. Yes, sir.

Q. And so the pressure of water in the spring of 1909 on the Quebec side would have been much relieved? A. Yes, sir.

Q. On the matter of that dredge, there was a good deal of dredging to be done in any case by the Government that was outside of the contract? A. Yes, sir.

Q. And the dredge was proved to be inefficient for the work? A. Yes, sir, she was too light.

Q. There is still a large amount of excavating on the Ontario side to be done? A. Yes, sir.

Q. And isn't it designed to widen out the banks of the stream above the dam on the Ontario side? A. Yes, sir, we have done a part of that.

Q. And a large amount yet remains to be done? A. Yes, sir.

Q. Does the dredge help in that work at all? A. No, sir, we are doing it by a steam shovel.

Q. From the bank? A. Yes.

Q. And I presume you are only going down to low water mark, are you? A. We are taking it out in such a way that there is a bank of earth left between the water and the steam shovel.

Q. And the idea is that the bank is likely to be washed away by the high waters of the stream? A. Yes.

Q. That will be deep enough as that is only flood water you want to take off, I suppose? A. Yes, sir.

Commission adjourned.

OTTAWA, THURSDAY, January 25, 1912.

PRESENT:

Hon. A. B. MORINE, K.C. *Chairman.*
G. N. DUCHARME, *Commissioner.*
R. S. LAKE, *Commissioner.*

The examination of Mr. Charles R. Coutlee was continued from the previous evening.

By the Chairman:

Q. You spoke yesterday about some concrete work having been commenced by the contractors in the cold weather, and you made this remark: that if you had been a contractor you would not have done it. Were the contractors free to refuse to do concrete work in the winter? A. No, sir, they were not free to refuse. Did I refer then to concrete work or to excavation work?

Q. It is in connection with excavation work. I find this in the specification attached to the plan: "winter work—concree will be laid during freezing weather, only on the written instructions as to the precautions to prevent freezing. Work will be stopped and resumed as directed, materials and plant will then be kept heated and a mixture of salt will be added to the concrete." That was approved by you? A. Yes, sir.

Q. So it is quite clear that there was provision in the contract for heating the material and the plant? A. Yes, sir.

Q. And also, it is clear from these words, that work could be stopped and resumed as directed by the Engineer? A. Yes, sir.

Q. I find in a memo. by the Minister to the Committee of Council, dated the 10th November, 1910, in which the Minister was recommending payment to the contractors for heating some work which was being started on the Quebec end, this language used: that the carrying on of the concrete work during the winter will necessitate the housing of a section of the dam to be built, and the installation of a heating system to prevent the fresh laid concrete from being damaged during freezing weather. It would, of course, necessitate the heating? A. I know about that. The heating mentioned there was to accelerate the set, so as to have a thoroughly set concrete to oppose against the spring freshet. Concrete does not set very quickly in cold weather. The chemical action is slow in winter. The salt merely makes a freezing mixture; it does not set it up.

Q. Would not the provision I have just read to you, from the contract, cover that class of heating? A. No, sir.

Q. It seems to be broad enough in its language to cover it? A. Well, the idea of that is, that we do not like very much laying concrete in winter, but occasionally it is necessary. Now, when it necessarily must be laid, it should be laid with precaution, and that is to cover the precaution for laying concrete so as to prevent crumbling away in the spring time. The concrete will remain frozen sometimes all winter and then the chemical action starts in the spring time, when the weather gets warm enough. When you want to have a structure strong enough to resist freshets in the spring time, you must artificially augment the setting. That idea of having a covered building over the cement is to have the concrete not only deposited, but set and strong to resist. We will have to adopt that this year.

Q. You have a specification here in the contract, under which you have just told me that the contractors were bound to do work in winter or at any season of the year? A. Yes, sir, I should not say bound; probably I should say allowed.

Q. You mean to say that these words: work will be stopped and resumed as directed; only allows them to build in the winter? A. When we allow them to build concrete in the winter, we stop them under extreme conditions of weather.

Q. I am not speaking about what the contract means: I am asking you whether the contractors would be bound to go on if you would direct them to do so? A. Yes.

Q. What you mean is that they cannot do it in winter unless you consent? A. Yes.

Q. But they contract that they will stop and resume as they are directed? A. Yes, sir.

Q. And that the material and the plant will be kept heated? A. Yes, sir.

Q. Well now, what was there in that contract to prevent you from requiring them to heat this concrete as it was placed. Would not the terms of the contract cover that? A. Well, I would not think so. That refers, of course, to the placing so as to prevent injury during the cold weather. Now, what I wanted to bring about in that second place, there was a thorough set during the cold weather.

Q. You think that the provision in the contract probably refers to the heating of the material at what stage? A. My intention in putting that clause in the specifications was to have the heating done during the mixing.

Q. Before it was put into the moulds? A. Yes.

Q. That is what you had in mind? A. Yes, sir.

Q. Did you convey your mental impression of the meaning of that specification to the contractors before they took the contract? A. I do not think we had any conversation about that.

Q. Then, when they signed the contract the words stood to be interpreted according to the meaning they have there and not according to any mental impression you had? A. Yes, sir.

Q. At the time you decided to go on with the work in the winter of 1910-1911, on the Quebec side, did any discussion take place between you and the contractors as to the meaning of this provision in the specifications? A. Not that I remember.

Q. You just assumed then, for yourself, that it was not intended to cover the work of heating in the forms or moulds? A. Yes, sir.

Q. And the housing and heating which was undertaken in the fall of 1910-11, was that the actual heating of the form in which the concrete was to be put? A. None was actually laid. Our intention was to build a house over the whole structure.

Q. Over the whole dam from one end to another? A. Yes.

By Mr. Lake:

Q. To prevent fr ezing? A. Yes that system is ordinarily carried out.

Q. I mean as distinct from heating the moulds, simply after the concrete is got in to prevent it being frozen? A. No, sir, it was to heat it so as to accelerate the set.

Q. No heating and housing was, as a fact, undertaken? A. No, sir, we never got to that point.

Q. The coffer dam not having been finished, you never got to the point of doing that? A. No, sir.

Q. I want to read from a report by you to the Chief Engineer, dated 12th December, 1910, in which you say:

> "Unwatering has been a serious item on this contract, and the extreme high water of 1909 frightened or deterred the contractors' manager from building the dam across the Ontario channel. In consequence, the proper force was not employed and the summer time was lost so that the Ontario channel was not opened, and therefore, the Quebec channel could not be coffer dammed although the water ran very low that August."

That would be 1909? A. Yes.

Q. The outcome of the wasted time in 1909 was that excavation and concrete work had to be carried on during the winter of 1909-10? A. That would be in the Ontario channel, yes, sir.

Q. That is a correct statement of the situation? A. Yes, sir, I think that is correct.

Q. Then you go on to say:

"Spring water found a fairly good dam across the Ontario channel, but it was not high enough and the rising lake flooded the work, causing a delay from May to July, 1909."

Q. Now, that fairly good dam across the Ontario channel had been built at what time? A. I think the year 1909 there should be 1910. I find on reference to the copy that it says 1909, but it should be 1910, I think.

Q. How, did it come that the dam was not high enough? Was that a fault of design or failure to build to complete the dam as high as the design was intended? A. That refers to a coffer dam that was built across the Ontario channel. There were two or three coffer dams put across the Ontario channel, and I think this refers to the cribwork, one that was built during the spring of 1910. As to that not being high enough, I cannot remember the circumstances at that time as to why it was not made higher. That was part of their unwatering work, and they made and designed that themselves; it was a subsidiary dam.

Q. In December, 1910, the Assistant Deputy Minister asked you to arrange a meeting with Kirby & Stewart for general discussion, and the Assistant Deputy Minister notified Mr. H. B. McGiverin, M.P., that he had asked you to arrange that meeting. Was that meeting held? A. That was in September, 1910.

Q. December 3, 1910? A. Yes, I remember a meeting when Mr. McGiverin was present.

Q. And Mr. Kirby? A. Mr. Kirby, yes.

Q. And Mr. Stewart? A. I do not think Mr. Stewart was there.

Q. Who was there besides yourself? A. I think Mr. St. Laurent, Mr. Kirby, Mr. McGiverin and myself.

Q. What had Mr. McGiverin to do with the matter? He was their lawyer.

Q. And what is called general discussion; did that take place? A. Yes, sir.

Q. Over the whole situation of the work? A. Yes, sir.

Q. Now, I find in a letter afterwards that you used some language to imply that the contractors were getting into financial inability? A. That is what I understood, that the banks were closing in on them.

Q. Did they make that complaint to you at the time? A. I cannot say, sir, but that was the general opinion.

Q. Was that the general opinion of those at that meeting, or a general opinion conveyed to you by that meeting? A. I think it was an opinion I got previous to that meeting.

Q. At that meeting what were the contractors and their lawyer urging? A. My recollection is that they wished to get the price of their excavation raised. I think that was what they were urging at that time.

Q. Mr. St. Laurent has told us that they said they should have more for their excavation because it was of a different character from that which they had tendered for, a good deal of hard sand in connection with it, and so on; is that your memory of it? A. Yes, sir.

Q. Now, you repudiated their claim for a better price for excavation, did you not? A. Yes, sir.

Q. You advised that the excavation was that which was contemplated by the contract generally? A. Yes, sir.

Q. The contractors claimed that the kind of excavation they had in mind when they made their first tender was not that which was really met with in the work itself? A. Yes, sir.

Q. And on your side, your argument was that before they signed the actual contract in July, 1909, the amended specification had been made by you and the test

pits sunk and therefore that their contract contemplated the kind of excavation they were meeting with? A. Yes, sir.

Q. And, consequently, upon this discussion, you and the Assistant Deputy Minister agreed that they could not be allowed more for excavation? A. Yes, sir.

Q. Were you called into consultation with the Minister and the Deputy Minister upon the claim of Kirby & Stewart for some allowance? A. I do not think so, sir.

Q. You know that at that time it was decided that something further being forthcoming for excavation, that something should be allowed to them for the coffer damming of the Quebec channel. A. Yes, sir.

Q. And, on that subject did you come into any consultation with the Minister directly? A. I do not think directly, but I made reports upon it.

Q. Mr. St. Laurent has told us that he asked you to make that report dated 13th December, 1910? A. Yes, sir.

Q. And there is a long report here, winding up with the recommendation by you that they should be allowed the price of the coffer dam during that winter? A. Yes, sir.

Q. Now, when you were making that report, were you told that the Department had decided or contemplated making them an extra allowance of some kind? A. No, sir. I have always thought that their unwatering price was ridiculously low and that the Department could not have the same work done at anything like that price. I have always thought that price, if possible, should be raised.

Q. But you were the Government Engineer in charge of these works? A. Yes, sir.

Q. Now, as such, you would not enter into a piece of pleading with the Department to make an extra allowance for contractors' work unless you were urged by the contractors to do so or by your Department to do so? A. No, sir, I saw clearly myself that the Department could never get the work done.

Q. What do you mean by that? A. For that price.

Q. You meant to say that you saw clearly the contractors would not do it? A. That they would not do it or could not attempt to.

Q. They could attempt it? A. They did attempt it, as a matter of fact.

Q. What did you see at that time that moved you to do what, on the face of it, would be a peculiar thing, arguing with your own Department in favour of giving more to contractors, what moved you? A. Well, sir, I clearly saw that the Quebec channel was going to be difficult. I think I estimated it as a $20,000 coffer dam, and I thought, in the interests of the work—I think I stated that in that report; I knew at the time I was standing on delicate ground.

Q. I know, but in order to get you off that delicate ground, I want you to frankly put the position with regard to your writing that letter of December 13, 1910. The Commissioners have been forced to regard this letter as a piece of strong special pleading, by a Government Engineer in favour of an allowance to contractors, and upon the face of it you will admit that it has the appearance of that? A. Yes, sir, I admit that.

Q. Then the Commissioners can conceive a number of reason which might have moved you. One was, that the contractors themselves represented to you that they were financially unable to go on and would abandon the work. Another might be that having pressed their views on the Department, and the Department having decided to do certain things got a report which would make it possible for the Department to do it. Those things might have prevailed on you and I am anxious to give you an opportunity of saying why you wrote a letter of that kind? A. Well, sir, it really had nothing to do with either of these. I realized that the work was away behind. We were anxious to get it done, and it seemed to be a reasonable thing to undertake.

Q. We will take this position—still reminding you that you were Government Engineer in charge of the work and that there was a contract signed and sealed.

Mr. LAKE.—And a deposit.

By the Chairman:

Q. And a deposit, have you anything else to tell us? By the way, the term at which the work is to be completed is fixed in the contract itself as the 20th day of July, 1910? A. Yes.

Q. And the time was extended at various times? A. Yes, I was very careful to have that time extended each time.

Q. I find that on the 13th December, 1910? A. I think the first extension was for six months.

Q. You say the first extension was for six months; that would bring it down to what time? A. To the end of December, 1910.

Q. And on the 13th December, 1910, you notified Kirby & Stewart that their contract time expiring the 31st December, you were instructed to say that the Department would extend the time to the 30th June, 1911, and consequently, at the time you wrote that report, you were within a few days of the expiry of the extended time? A. Yes.

Q. And, consequently, you could have taken the work off the hands of the contractors under the terms of the contract at the end of December? A. Well, that is a difficult thing to undertake.

Q. I am not talking about the difficulty? A. I could not have taken it off.

Q. I do not mean you, I mean the Department. The contract expired in December, 1910, if a further extension were not given? A. Yes.

Q. Then, at that time, you say you saw that the work was not being pushed, that there was need of something more being done and that in order to get something more done you felt that a greater allowance had to be made to pay for the coffer dam? A. Yes, sir, I felt that.

Q. Merely allowing the contractors more pay would not, of itself, get the work done any quicker, would it? A. Well, yes.

Q. How? A. These men were evidently becoming sick of their job, and it was certainly an incentive to them to recommend that the coffer damming would be done.

Q. I say that merely allowing them more money would not, of itself, get more work done? A. Not of itself, unless—

Q. There must be something behind it? A. Yes.

Q. Did you allow them more money, because they were financially unable to go along any further? A. Well, the idea was—how shall I put that—the idea was to guarantee to pay them for the coffer dam. We did not vote them a certain amount of money, you understand?

Q. You guaranteed to pay them a fifteen per cent profit on the work? A. Yes.

Q. And, under their existing contract, they were bound to do that work without any profit except what they might make out of the contract? A. Yes, sir.

Q. And you believed they were going to lose money in doing this work? A. I believed they were not going to attempt to do it at all.

Q. Did you believe they were not going to attempt to do it at all, because they felt they would lose money on it? A. Yes, sir.

Q. Is that the only reason? A. That is the only reason.

Q. You did not feel they were going to refuse to do it because they were financially unable to do it? A. That is what I mean, that they were financially unable.

Q. There are two things—a man may be unwilling to do work because he is losing money which he is perfectly capable of losing, or he may be unwilling to do it because he is financially unable to do it, which was their position as you understood it? A. As I understood it they were financially unable to do it.

Q. And they were also unwilling to undertake it? A. Yes, sir.

Q. And they had made representation of their position to you, prior to this, had they not, in that discussion which took place? A. I think, Mr. Morine, that the idea of building the coffer dam by the Department originated with me.

Q. Not building it by the Department, but paying the contractors for building it, that originated with you? A. Yes, that is what I mean.

Q. I have no doubt, from what I see in the report, that it originated with you, but it might have originated from you because of some representation made by the contractors? A. No, sir, they never seemed to realize that their unwatering was the great trouble. They were always endeavouring to get the price of their excavation raised, and I did not see that the Department's interest would be furthered by raising the price of their excavation.

Q. But you did not undertake to recommend the Department to take a piece of work off the hands of contractors and do it at its own expense, merely because the contractors were not going on with the work as they ought to have gone on with it? A. No, sir, I did it because I wanted to see the work go ahead.

Q. Do you mean to tell me now that when contractors are slow with their work, that you as a practice recommend that they shall be paid an extra sum to do the work? A. Well, under circumstances, I would.

Q. What circumstances, for instance? A. That is, where the thing is in a hopeless mess, like that.

Q. What do you mean by a hopeless mess? A. As their contract was in.

Q. In what way? A. They were certainly financially unable to go ahead with that Quebec coffer dam as specified in the contract.

Q. When you say that, as to what you would know about their private finances, you must have depended on what they told you? A. Well, I really cannot tell, I do not remember their telling me that. I never remember their coming and saying they were embarrassed, but I have understood it. I do not know where I got the impression.

Q. Well, we will take that—because you understood from the impression, the authority for which you don't know, that they were financially embarrassed, you recommended that in face of the terms of the contract the Government should undertake the work and pay the contractors an extra sum? A. I recommended the taking over of that coffer dam because it seemed to me to be the only way in which the Department would eventually get that work done in any kind of time.

Q. Ordinarily, if a contractor fails to keep the terms of his contract the contract would be terminated and the deposit would be forfeited, would it not? A. Well, that is the theoretical idea.

Q. Ordinarily, I say, does it never occur that that is done in practice? A. I do not say it does.

Q. Then if a contractor makes money he walks away with it, but if he loses money the Department makes it good, is that the practice? A. I would not like to say that is the practice, but it seems that when a contract is signed it is impossible to get out of it unless the contractor is a good contractor and has plant and everything in his favour.

Q. Let us get over that—you are now speaking of what does as a fact occur in the departmental work as you have noticed it, and you say that on the one hand you have never known a contractor to return money because he had made a profit on the job; there is no dispute as to that? A. I do not suppose that ever takes place.

Q. And where a contractor fails to go on with the work from one cause or the other, your experience in the Department has come to the assistance of the contractor in some form or other, either in taking the work off the hands of the contractor or by giving the contractor an extra allowance? A. Yes, sir, that is my idea.

Q. In this case, seeing the work not going on for the reasons you have given us, did you recommend to the Department that they should endeavour to put pressure upon

these contractors to complete their work? A. I think I did, sir. We had several discussions about the situation as it existed.

Q. Anyway from what you observed, from what you heard, and from your belief that the contractors would not push that work satisfactorily, you decided to recommend the assumption of the cost of building the coffer dam across the Quebec channel by the Department the work to be done by the contractors, and they to be allowed fifteen per cent on their expenditure? A. Yes, sir.

Q. At this discussion which you had with contractor Kirby and Mr. McGiverin and the Assistant Deputy Minister did you tell them that that is what you would do? A. I do not think so. I think that all the discussion we had was mostly between myself and the Department.

Q. Meaning the Assistant Deputy Minister? A. Yes.

Q. Was the letter of the 13th December the result of the decision arrived at between yourself and the Assistant Deputy Minister that you would recommend an allowance in that way? A. It was.

Q. As a matter of fact, Mr. St. Laurent says it was? A. We had several discussions about the matter.

Q. In these discussions over the matter. which is referred to in the letter of December 13, and between you, you arrived at that conclusion and then you went out and for the purpose of a record you made this letter of December 13 so as to put in writing what you had been talking over in this discussion? A. There were several discussions with Mr. St. Laurent.

Q. Well, in the several discussions? A. Yes.

Q. The letter is a conclusion of the discussions? A. Yes.

Q. Just to go over that letter dated December 13, and to draw your attention, to two or three matters, I find this:

> "2. The Order in Council, 13th March, 1909, annulled the former—(that is the tender of the bulk sum of $76,000 for the wooden dam) and authorized the concrete structure at the unit prices provided for such an alternative structure in the original tender."

Now, bearing in mind the examination of yesterday. what warrant had you for this statement: the unit prices provided for such an alternative structure in the original tender? A. You remember, that in the original tender there was a price for concrete.

Q. But there was nothing in the original tender to indicate that it was intended to have an alternative structure? A. No, you remember I explained that to you,

Q. You would regard that language now as being inaccurate, would you not: at the unit prices provided for such an alternative structure; would you now express it: at unit prices provided for concrete in the original tender? A. Oh yes.

Q. You do not now stand by the statement in that letter that an alternative structure was provided for in the original tender? A. Except in that price there.

Q. Except that in the original tender you did find a price for concrete? A. Yes.

Q. And yesterday you said you did not know what concrete could have been meant by that expression in the tender? A. Yes.

Q. You also used this language:

> "Nothing is said in the original specifications that would lead to the idea of laying dry the river bed by coffer dams and steam pumping. A bulk sum price, however, of $4,000 appears in the tender, "Item 25 unwatering." In adopting the concrete design under this tender, the unit price of $4,000 fixed for unwatering remained, like the other prices, unchanged. The work, however, contemplated under 'Item 5 coffer dam' of the new specifications is very much more serious as a perusal will show."—That is quite true as you state it? A. Yes, sir.

Q. But you do not go on, in that letter, to point out that the work contemplated by the new specifications is precisely the work for which they contracted by the contract of July, 1909, and that all the circumstances which varied from the original tender, were all quite in view at the time the only contract was signed; that is the case? A. Yes, sir.

Q. And for a fair consideration of the equities of the case, what you say in the paragraph I have just read is partial, is it not? A. Well, it does not recite the fact that they signed the contract but that was taken as common knowledge.

Q. In other words then, this statement of yours is not a statement of all the facts? A. Not in detail.

Q. The persons who read it would know all the facts? A. Oh, yes.

Q. Why state part of the facts and not the other part, why not assume they knew them all? A. I think it fair to assume they knew the contract was signed.

Q. But you are pointing out in the original tender these things were not contemplated, which was only half the truth. You do not point out that later on these things were all provided for in the contract and furthermore, that the special notice of the contractors had been drawn in writing to the fact that the sum of $4,000 had to be taken for the whole work they were to do under the new contract, so that anybody reading that account alone, and not relying on the information he happened to have himself, would only get a partial statement of the facts? A. He might. Of course that was written to Mr. St. Laurent who was well apprised of all those things.

Q. But it was intended to go past Mr. St. Laurent? A. No, sir.

Q. You knew that was going to be made use of by Mr. St. Laurent for the purpose of a memo. which would go to Council later on; you were providing it for that purpose? A. No, sir, that was merely a report to Mr. St. Laurent personally.

Q. But you told us it was a report prepared to Mr. St. Laurent after several discussions had taken place for the purpose of putting something on record as to the reasons for this recommendation? A. Yes, sir.

Q. And you were putting forward only half of the reasons which existed and not the other half? A. You put me in a bad position there.

Q. I am trying to give you a chance to get out of it? A. I was writing that letter in perfect good faith to Mr. St. Laurent, who knew as much about the work as I did, except the details.

Q. Why write it at all? A. I do not remember why write it at all. It was just a report to him.

Q. Either it was a report upon which he was going to rely, in which case it ought to have been a perfect report, as complete as you could make it, or it should not have been made at all, because it is only half a statement of the truth? A. Pardon me, sir, that report was made to Mr. St. Laurent, and certainly he could rely upon every word that was in that report. It was made in perfect good faith.

Q. Did Mr. St. Laurent know all about the facts as well as you did? A. Yes, sir.

Q. What occasion was there for making a report of part of the facts to Mr. St. Laurent? A. As I take it, that report is a fair report on the whole situation.

Q. Does it make any mention of the fact I have pointed out that these things were all in view at the time the contract was signed? A. I took it for granted he knew that.

Q. Why not take it for granted he knew what you did report? A. Well, that is an ordinary report.

Q. I was giving you an opportunity of setting yourself straight in the matter; this is an official report? A. Yes, sir.

Q. It does not contain a correct relation of all the facts? A. I differ from you there, I think it does.

Q. Does it make any mention of what I have just pointed out, that all these things were held in view, and very much understood by the contractors at the time

they signed the contract? A. No, it does not. I said that. I did not think it was necessary to state that.

Q. And the reason you did not think it was necessary was because you told me you were relying upon Mr. St. Laurent's knowledge of the facts? A. Yes, sir.

Q. I am taking the language itself as an official record that was going to go out and be read by people who did know and by people who did not know, and I ask you if it is in itself a complete statement of the facts? A. Well, I thought it was.

Q. You could not have thought it was in relation to that matter, did it occur to you that it was not? A. It never occurred to me, sir, that it would be necessary to mention that.

Q. Why not? A. Well, it was common knowledge.

Q. But what you had mentioned was also common knowledge? A. Yes, but you know it is a general statement.

Q. But purely matters of fact such as you are relating were as much within the knowledge of Mr. St. Laurent as they were within your own knowledge? A. I should think so.

Q. Except for the purpose of making the argument, with which your letter winds up, and as a basis of that argument, it was not necessary to remind Mr. St. Laurent at all, was it; he would know it all. A. Usually, in making a report you review the facts generally and that is what that attempted to do.

Q. I point out a significant fact which completely answers what you have said. namely, all these things were held in view by the parties and specially considered at the time they signed the contract, and you don't mention that fact in the letter? A. I do not.

Q. Why did you omit it? A. I do not know why.

Q. Is not this true; that aware of the previous decision that had been come to that the coffer damming should be recommended, this letter is really an argument to lead up to a prior conclusion, is it not? A. That letter is to show my bearing toward the matter of coffer damming.

Q. You know that these matters had been considered when the contract was signed? A. I presume so.

Q. You did know? A. Yes, I do not think the contractors ever realized what the unwatering was.

Q. You are trying to go into their mental process, but you know as a fact they were notified that the sum of $4,000 covered unwatering? A. Yes, in the specifications.

Q. And you know further that the specifications framed by you, attached to the contract and signed by them, expressly, in the most explicit language warns them that the sum provided for coffer damming covers the whole coffer damming? A. Yes, sir.

Q. And all the coffer damming which was done was from the final plans and specifications and had to be done? A. Yes, sir.

Q. So there was no doubt whatever that so far as human ingenuity could draw the matter to the attention of the contractors, they were notified? A. Yes, sir, they were fully notified.

Q. And whether they realized all that meant or not is a mental process about which nobody can give evidence but themselves? A. Yes.

Q. In recommending that the government do the work of coffer damming in 1911, you thought that the coffer dam could be cancelled and the dam itself thrown out across the Quebec channel before the high water in the spring of 1911? A. Yes, sir.

Q As a matter of fact the coffer dam was not completed across the Quebec channel until May, 1911? A. The coffer dam was completed across in January, 1911, and was unwatered, I think, in February or March, 1911, and then excavation was begun in the Quebec channel for the main construction.

Q. Then, what happened? A. Then, the excavation proceeded until the coffer dam floated out in May.

Q. And no concrete work was undertaken? A. No, sir.

Q. Why not? A. Well, I think there may have been a few yards laid but they had not time to do it. The dam was first flooded from the lower side by water backing up over the lower dam, you understand there are two dams, one above and one below.

Q. And the water backed up from the lower dam and flooded the work? A. Yes.

Q. So that you would have to pump it out? A. Yes, sir, that would have to be pumped out.

By Mr. Lake:

Q. When did that take place? A. In April, 1911.

Q. Late in April? A. Sometime in April, I think it was about the middle of April.

By the Chairman:

Q. You, therefore, recommended that the work be continued in the winter by housing it in as already arranged by the Order in Council, and that the Department assume the risk and pay for the coffer dam in the Quebec channel? A. Yes, sir.

Q. Your recommendation was that the Department assume the risk and pay for the coffer damming in the Quebec channel? A. Yes, sir, I think that was it.

Q. Your recommendation was that the Department pay for the coffer dam which you estimated at $20,500? A. Yes.

Q. You contemplated paying for the whole coffer dam across the Quebec channel? A. I think so.

Q. But later on, I find on a memo. dated 4th January, 1911, and acted on by the Committee of Council on January, 14, 1911, a recommendation that authority be given to pay to the contractors over and above their contract price the actual cost of coffer damming and unwatering necessary to complete the dam across the Quebec channel, including the removal of the coffer dam, plus the usual per cent. for incidentals. Of course, you do not know what conception the Council had of 'complete,' because that word in their minds would depend upon the information they had as to what was already done? A. They mean to complete the concrete dam.

Q. And there is the actual cost of the coffer damming and unwatering necessary to complete the dam. You think that means that the Department assumed the whole cost of coffer damming and even the amount which had already been expended? A. That is what I understood. It should have been the main dam.

Q. And it would have been sufficient to say the coffer damming and unwatering of the Quebec channel? A. It probably would.

Q. And there would have been no mistakes about it then? A. Yes, or if they said the main dam.

Q. That would make it perfectly clear. After this letter of yours, did the contractors become active in the work? A. It seems to me that they did some work, yes, they did some work in January. In fact, they had the coffer dam built across the Quebec channel before the Order in Council was passed, agreeing to pay for it.

Q. Then, what happened in the matter of the work, did they get on with the work actively? A. Yes.

Q. What did you mean by writing on February 20, 1911, urging pressure of the work, and on February 24 saying to them: the condition of your contract is ridiculous and amounts to a breach of faith with the Department. You wrote that? A. Yes.

Q. What did you mean? A. When they got their coffer dam it seemed to me they worked pretty briskly during January, and then we had an awful time getting the coffer dam tight, and at that time they would not get the proper men to do the work and we had a great deal of trouble.

Q You used very strong language to them? A. Yes, sir.

Q. You charged them with a breach of faith with the Department? A. Yes, sir.

Q. What justified that language? A. Well, they were not using the proper men on that coffer dam work in my opinion.

Q Were they showing negligence? A. It practically amounted to that.

Q. And carelessness? A. It practically amounted to that.

By Mr. Lake:

Q. You thought your language was necessary? A. Yes.

By the Chairman:

Q. Did they create the impression on your mind that despite what had been done in assuming the cost of that coffer dam they were sick of the work and wanted to abandon it? A. Well, no, my impression was that they knew nothing about the work themselves, and their manager was hopeless.

Q. Although this work of coffer dam was actually being paid for by the Government with fifteen per cent profit, they still were not doing the work in a creditable fashion? A. No, sir.

Q. Had that class of inattention and misconduct as to practice marked the whole of the work done by these contractors under that contract from the beginning? A. As I explained to you their manager was very incompetent. The next two managers were good men, their third manager was incompetent.

Q. All through this work by letters and otherwise, you made complaint that the contractors themselves did not visit the work, as in your opinion they should have done, and did not keep in touch with the causes of fault finding? A. That is the fact.

By Mr. Lake:

Q. About what date did the first superintendent come on? The hopeless man you speak of? A. I think about August, 1910.

By the Chairman:

Q. Now, in March, 1911, the Auditor General objected to the payment for extra work under coffer damming, &c., and some discussion arose between the Department and the Auditor General, and I find a letter from you dated March 14, to the Assistant Deputy Minister—I would like you to turn it up and recognize it, if you have your copy there—in which you say: 'in connection with the bill for unwatering in favour of Messrs. Kirby & Stewart, contractors, I have to state.' Then you go on with a number of arguments which are practically the same as some of them contained in your letter of December 13. What was the occasion of writing that letter? A. I presume that was in connection with the accounts and with the objection of the Auditor General.

Q. But in writing Mr. St. Laurent about that, you would probably do so on a request from him to write him a letter on the subject? A. Possibly, but I do not remember the circumstance. What was the date of that letter and perhaps I can recall it.

Q. The letter was dated March 14, 1911? A. I have the letter here in my copy-book. That letter pretty well defines the position we were in.

Q. What I asked you was what were the special reasons for writing the letter at that time? A. I think it must have been that these accounts were sent back to me.

Q. Did you know of the objection made by the Auditor General? A. I presume I did, I presume the accounts were sent back to me.

Q. The contractors were Kirby & Stewart? A. Yes, sir.

Q. Do you know whether any other person was in partnership with them or not? A. I do not think so, sir, that is the firm name, so far as I know.

Q. With which of the partners did you most frequently come in contact? A. Well, I think we came in contact with their manager. I saw them occasionally. I saw both Kirby & Stewart occasionally but I came in contact more with their manager.

Q. Kirby is generally recognized as what is called the practical man of the partnership, he is a contractor in other respects? A. Oh, he has done street work, but that kind of unwatering work completely kills these men.

Q. You mean to say they were not familiar with that kind of work? A. Yes; the railway contractors always get into trouble when they undertake hydraulic work.

Q. You never had anything to do with them as contractors in any other Government job? A. No, sir.

Q. And therefore, when you took charge of the work and they became the contractors, you did not know whether they were competent to do the work, or not, from any previous experience? A. No, sir.

Q. In the midsummer of 1911, a discussion was held between Mr. Chrysler, K.C., and the Minister. I think the Assistant Deputy Minister told us he was present, concerning the position of the contractors, and the work, and so forth, were you called into that discussion? A. I do not think so.

Q. You do not remember seeing Mr. Chrysler there and the Minister over this matter? A. No, sir, I do not think so.

Q. At that time Kirby & Stewart requested that the work should be taken off their hands altogether, and one reason they gave was that their plant would be lying idle while the Government was building the coffer dam. Now, were you under the impression that Kirby & Stewart were consenting parties to the Government building the coffer dam altogether? A. Yes, sir.

Q. Would it be lying idle while the Government was building the coffer dam? A. Their concrete plant would.

Q. That would be true no matter who built the coffer dam? A. Yes, sir.

Q. At that time, June 29, the Government had not, as a matter of fact, undertaken to build the coffer dam by day work? A. I thought you were speaking of June, 1911.

Q. I am speaking of June, 1911? A. Well, the coffer dam had been built and failed at that time.

Q. The coffer dam had been built by the contractors, but I am talking of the actual work of rebuilding the coffer dam under the Government? A. That was not undertaken until August, 1911.

Q. I see that on July 29, Kirby & Stewart say that their plant will be lying idle while the Government is building the coffer dam? A. I do not quite understand that.

Q. In a letter from Kirby & Stewart dated June 29, 1911, to the Minister of Public Works, reference is made to the letter from Mr. Coutlee dated May 12, in which mention is made of the offer by Joseph Filion to conduct the work of reconstructing the coffer dam, and they go on:

> "Our plant is now idle and there is no certainty as to when the unwatering of the Quebec channel, cost of which has already been assumed by the Department, work will be commenced. The coffer damming may again be carried away and further delay caused to us, our plant, in case of accident, lying idle through no fault of ours, while the work of building the coffer dam is being carried on by the Department at its own cost and risk."

At that time, the Department had not undertaken to build the coffer dam at its own cost and risk? A. No sir, I think that was—

Q. You apparently had that in mind when you spoke of Filion's offer to conduct to employ him. In fact, I wanted them to employ him before.

posed to be a very good coffer dam builder and I wrote the contractors asking them the work? A. I think I wrote the contractor that Filion was up there. He is sup-

Q. Then at this time you really did not mean to say that the Government were going to undertake the work themselves? A. I do not think so.

Q. Then, he says here: "There is no certainty as to when the unwatering will be commenced." At the date of this letter, June 29, the contractor was still there? A. Yes, I presume so, it was very nearly brought to a conclusion then.

Q. But they had made no application for extension? A. No, sir, I think so, but I am not sure.

Q. Upon the mere point of extension of time there would be no difficulty in obtaining it? A. I should not think so.

Q. It was later on granted, was it not? A. I do not think any extension was given them, but I am not sure.

Q. This last extension was for six months and it would be up at the end of June? A. Yes.

Q. Up to the end of June was there any reason why some work should not have been undertaken as to coffer damming? A. It was pretty high water.

Q. I suppose there was preparation which might have been made for it? A. Yes, sir.

Q. Was the requisite timber on hand? A. No, sir.

Q. And no attempt had been made to get it? A. No, sir.

By Mr. Lake:

Q. Did the change in the site involve a large amount of work not originally contemplated? A. That is the change from the wooden dam.

Q. The change in the site? A. Yes, sir, it did.

Q. Then, are we to understand, that a concrete dam built in the changed site would be a more expensive structure than a concrete dam on the original site? A. I do not think it would. I should think that the present site was the more expensive of the two.

Q. It involves more expense than the old site? A. Yes, sir; you are now referring to the actual concrete dam itself?

Q. I mean the whole cost of the concrete dam on the new site? A. Would you like me to explain that to you on the plan?

Q. I just want the expense? A. I think it is more expensive. I do not think there is any doubt about it.

Q. So that the change of site threw a greater amount of expense upon the contractor?

The CHAIRMAN: Pardon me, that is another thing. The contractors were being paid unit prices. The dam might cost more but the contractors would be paid more.

Mr. COUTLEE: It was not a bulk sum contract.

Mr. LAKE: In a way it was.

The CHAIRMAN: Yes, but you have to separate the two so as to make it what is meant. As I understand it, witness said that the new dam on the new site cost more than the old dam on the old site, that is all you said so far? A. Yes.

By Mr. Lake:

Q. Is it correct that the change in the site of the dam involved a larger amount of work not originally contemplated? A. Yes, sir.

Q. Now, in January, 1911, is it perfectly correct to say in your opinion that the contractors have so far executed their work in a first class manner and have shown good will to meet the changed conditions? A. That would be in connection with the Ontario channel; what are you quoting that from?

By the Chairman:

Q. Mr. Lake does not say in connection with the Ontario channel. He asks if in January, 1911, that statement is correct or needs qualification? A. I think that is correct; there was no work done then in the Quebec side.

By Mr. Lake:

Q. And you would say: the contractors have so far executed their work in a first-class manner and have shown good will to meet the changed conditions. Do you? A. Yes, sir.

By the Chairman:

Q. Do you mean to say with regard to the quality of the work it was first-class? A. Yes, sir.

Q. But with regard to the time they had taken in executing the work had they acted in a first-class maner? A. Oh. no.

Q. Don't you think that remark was made generally as to the following up of their contract? A. The peculiarity of these men was that they were at the mercy of their superintendent. There never was an objection set up by them to doing what was asked; they finally did it.

Q. Let me put this question: If that statement were made to men who might know nothing about the matter except the statement itself, is the language just quoted calculated to convey a correct impression of the surrounding circumstances? A. No, it might give a wrong impression.

Q. And, as used, it might be true in a limited sense when applied to the quality of the work done? A. It would not be true in the larger sense as to their general conduct of the whole work? A. No, sir.

By Mr. Lake:

Q. Did you actually send a report about their qualifications? A. I think that which you read is an extract from a report of mine.

The CHAIRMAN.—No, that in itself is an extract from a memo. to Council.

By Mr. Lake:

Q. And it says:

> "The Engineer reports that the contractors have so far executed their work in a first-class manner and have shown good will to meet the changed conditions."

A. What date is that?

Q. 4th of January, 1911? A. I remember speaking about that.

Q. Did you report that? A. I think I did. I think I recognize the language some way or other.

Q. You think that that language is yours? A. I think so.

Q. And that you made no qualification upon it? A. I cannot say about that part of it. It would be a loose statement the way it is, I must admit.

By Mr. Lake:

Q. Would not such a statement by itself convey the impression that everything was satisfactory so far as the prosecution of the work was concerned? A. Yes, it might; when you began to read that I thought it was from a report of my own.

Q. And yet in February, you accuse them of neglecting their work, and doing what practically amounted to a breach of faith with the Department? A. Yes, sir, their manager was entirely incompetent.

Q. And yet that same manager had been on the work for a number of months? A. He began about August preceding that.

Q. He was there for a number of months preceding it? A. Yes, he had nothing to do with the building of the Ontario channel though.

Q. If you did use the language there referred to, when you speak of their executing their work in first-class order, you were referring only to the quality of the concrete work done? A. Yes, sir, it was a very good piece of concrete work.

Q. And you only used that language in the narrower sense, if you used it at all? A. Yes, sir, it is a very creditable piece of concrete in the Ontario side. I remember

indirectly it was criticised, and it is very likely that that is a statement I made with regard to the quality of the work. That is why the language sounds familiar to me.

By Mr. Lake:

Q. Was the sum $4,000 actually expended in unwatering the Ontario channel? A. The greater portion of it was, but I cannot give you the exact figures.

By the Chairman:

Q. Did you ever have the exact figures? A. I think I had, I think I estimated that at one time. It is difficult to get at this work done by the contractors, because we would not have the full details regarding it—but it runs in my mind that about $3,000 was expended.

By Mr. Lake:

Q. Had the work been done and done at the proper season, and pushed with expedition, would it have cost that sum? A. I do not think so.

Q. Did you report actually that the unwatering of Ontario channel had cost $4,000? A. I think I reported it cost $3,000. It might be in the letter of the 13th December. I find here that I reported that the amount for unwatering had been $4,000, three coffer dams that were built in that Ontario channel.

Q. In that report you do not call attention to the fact that had they pushed the work from the very beginning it should not have cost so much and that it was their fault it had cost so much? A. No, sir.

By the Chairman:

Q. Furthermore you said a moment ago that it cost $3,000, how do you explain the statement in your report that it cost $4.000? A. I was speaking from recollection when I said it cost $3,000.

Q. And you say now that it cost $4,000? A. I see, in my report, that it has cost $4,000.

Q. And you told us it had only cost $3,000? A. I was speaking from recollection then.

Q. You think now that your recollection was wrong and that it actually did cost $4,000? A. Yes, and I so reported. It is very easy to run away with $4,000 in that sort of work.

Q. How would you arrive at the $4,000? A. I would have estimated the two or three coffer dams that were built in that Ontario channel.

Q. But did you have any means of knowing that that actually did cost the contractors $4,000? A. Nothing outside of the estimate.

Q. You did not examine the contractor's figures? A. No.

Q. When you speak of two or three dams, are they successive dams, one after the other, was it necessary to have more than one dam at the same time? A. No, they built in the first place a very small earth dam for a coffer dam, and I think there was a second heavier dam and then finally they made a good cribwork coffer dam.

Q. The first two dams were insufficient and ineffective? A. They were effective, but they were insufficient.

Q. It would have been right to have built the final dam at the outset? A. I should think so.

Q. So that a good deal of expense charged to coffer damming in that $4,000 is for dams that were ineffective when they were built? A. Not a good deal of it, but a part of it.

By Mr. Lake:

Q. From your experience with these works, do you think that the first coffer dams you have mentioned could possibly have been effective? A. No, sir, they were inadequate.

By the Chairman:

Q. Do you ascribe to the incapacity of these people to handle work of that kind? A. Yes, sir.

Q I think you told us that you estimated the cost of the coffer damming and unwatering in the Quebec channel at $20,500? A. Yes.

Q. How much did it actually cost? A. I think $60,000.

Q. Do you often make such mistakes as that? A. I have not had the misfortune to make many like that.

Q. Was there any special reason why it cost so very much above your estimate? A. Yes, sir, on our present dam, undertaken by ourselves, we have expended, up to date, $50,000.

Q. You were asked if there was any special reason why your estimate on that dam went away off, and you were given an opportunity of stating the reasons why your estimate was so overshadowed by the real cost? A. It was just difficulty in staunching the dam. You will understand that to build a coffer dam is one thing and to make it tight is a more difficult thing. That is the best explanation I can give you.

Q. The actual cost of the construction of the coffer dam itself did not exceed your estimate to any great extent? A. I think I put the cost down as so much per cubic yard. The upper coffer dam I had at $10,000 and the lower coffer dam at $1,250.

Q. Part of that was already constructed? A. Yes. Now we had to build an additional dam and I have nothing there for placing staunching material in front of the dam?

Q. But part of it was already constructed and that part was actually included in this estimate? A. Yes.

Q. And you had the contractors' experience up to that time? A. Yes, I would like very much if you would go and see the place there in order to get an idea of what it looks like.

By Mr. Ducharme:

Q. Will you tell me who suggested the change from the wooden dam to the concrete dam? A. I do not know, sir.

Q. You do not know who suggested the change? A. No, sir, that was before I took hold of it.

Q. When you took hold of it, it was when? A. It was in March, 1909.

Q. Was the change of location of the dam necessary? A. Yes, sir, it became necessary with the new type.

Q. The new type, the new kind of dam? A. Yes, sir.

Q. When was that? A. That would be between March and May.

Q. Why did it become necessary on account of the type, to change the location? A. The original dam had a heavy base, you understand what I mean by a base.

Q. The foot? A. Yes, sir, a heavy solid base. Now, Mr. Matheson and myself wished to increase the waterway, that would be the cross-section.

Q. The sluice? A. Yes, sir.

Q. And in order to do that? A. In order to do that we had to make a dam of the stop-log type, but with the base right down to the bottom of the river, in fact it had to be excavated to the bottom of the river to obtain a seat for the dam.

Q. So that would make the dam more costly? A. Yes, sir, more costly.

Q. But what about unwatering and coffer damming? What effect would it have on the coffer damming and unwatering? A. Well, it would make the unwatering at least as costly.

Q. As what? A. As the former site.

Q. When was the coffer dam begun there on the second location? A. It was begun in October, 1910.

Q. On the Ontario side? A. No, sir, on the Quebec side.

Q. I am speaking of the Ontario side all the time? A. There was two or three dams made there, I cannot remember.

Q. Will these answers you have given me apply to the Ontario dam? A. Yes, sir, I am giving you for the whole dam.

Q. Would the change of location require the same change on the Ontario side as the Quebec side? A. Yes, sir.

Q. Do you remember when the coffer dam was made in the Ontario channel, would it be October, 1909? A. No, sir, the sluiceways had been built on the Ontario side then. The Ontario was finally blown out.

By the Chairman:

Q. The Ontario coffer dam? A. The Ontario coffer dam I should say was finally blown out November 17, 1910.

By Mr. Ducharme:

Q. When was it made? A. That must have been built in the spring of that year, I think.

Q. If Mr. Donnelly said it was built in November, 1909, would you believe it? A. Well, I may be confused in my dates. Oh, 1909 you say?

Q. Yes. A. It might have been built in 1909.

The CHAIRMAN.—You said it was blown out in November, 1910.

By Mr. Ducharme:

Q. When was it made? A. I think it was the spring of that year. It might have been the year before. I do not remember.

The CHAIRMAN.—Donnelly said it was made in the spring. They had been doing some work excavating in October, but the coffer dam was not built till the spring.

By Mr. Ducharme:

Q. From October, 1909, to November, 1909, was there much water at the place where the dam was to be built? A. Yes, sir, that was the spring flood. Is it 1910 or 1909 you are speaking of?

Q. 1909. A. 1909 was low water.

Q. Is it not the fact that it was perfectly dry at that time? A. The Ontario channel would be dry.

Q. I am speaking of the Ontario channel. A. I think so, sir.

Q. Would the place where the first dam was to be built be dry also? A. No, sir.

Q. Why? A. It is above the obstruction in the Ontario channel, there would naturally be obstruction in the Ontario channel.

Q. How much water would there be then? A. There would be about ten feet of water, nine or ten feet.

Q. If the second location was dry and the first location had ten feet of water, which of the two would cost the most to make the coffer dam? A. The wet location would cost the most.

Q. The wet location? A. I think so, in those circumstances.

By Mr. Lake:

Q. For what period was the Ontario channel dry? A. I think it would be dry during September and from September on until the following spring.

Q. Would there be any necessity for a coffer dam at all on the Ontario side?

The CHAIRMAN.—You mean in the new location?

Mr. LAKE.—Yes.

WITNESS.—There was not for some time at any rate.

By Mr. Lake:

Q. But they could have put a dam there if they had got to work at the right time without having to expend anything whatever in coffer damming? A. Practically so.

By Mr. Ducharme:

Q. Well then, you say the construction at the second location of a similar dam to the one that was intended to be made at the first location in concrete would not have cost more. If that dam had been built at the first location. I mean a similar dam? A. The concrete work would have cost about the same, but there was a great deal of additional excavation entailed by the present location.

Q. What kind of excavation? A. Excavations through this Ontario channel.

Q. That would be outside of the dam? A. Yes, sir.

Q. That is another thing altogether. That has nothing to do with the contract? A. No.

Q. I am speaking of the construction of a dam, nothing else? A. They would have cost about the same thing.

Q. Don't you think that it would have cost less owing to the fact that there would have been ten feet of water less to overcome on account of the coffer damming? A. I do not think so. Well, I think at first sight it would cost less. It would cost less I think.

Q. The second location would cost less than the first location? A. Yes, sir.

Q. Then the second dam was made to cost more on account of the changes that you decided to make? A. Yes, sir.

Q. In order to get more of a flow of water? A. Yes, sir.

Q. I suppose the coffer damming and unwatering would have cost much less at the second location than it would at the first? A. Yes, sir.

Q. What prompted you to make the change of location? It was you who suggested the change, wasn't it? A. Yes, sir.

Q. What prompted you to make it? A. To increase the waterway by carrying the plane of the lake over—

The CHAIRMAN.—He has already explained that.

By Mr. Ducharme:

Q. Do you know how long it took to make the coffer damming? A. In the Ontario channel, you mean?

Q. Yes. A. I cannot say.

Q. What Mr. Donnelly says would be alright, I suppose? A. Oh yes, he was on the ground.

Q. What kind of employee was Mr. Donnelly? A. You mean his position, sir?

Q. Was he fitted for the position? A. Oh yes, sir, he is a good man

Q. A competent man? A. Yes, sir, a careful man.

Q. Are you aware that when tenders were called the price mentioned for the coffer damming and unwatering was $4,000? A. Yes, sir.

Q. Are you aware that price mentioned by Mr. Lumsden was $54,000? A. I saw that yesterday, sir.

Q. Do you think that the tender made by Lumsden asking for $54,000 for the coffer damming and unwatering was exaggerated? A. I would have then.

Q. When the dam had gone on and you had started from the Ontario side, is it not the fact that when you reached the Quebec side at the soft portion of it, you would have been able to carry out the same kind of work throughout? A. I think a wooden dam could have been placed across the Quebec channel.

Q. Right through? A. I think so, sir.

Q. What about that part where the water came in? A. Well it might have scoured. I cannot give you an opinion about that. That bottom is irregular. It might have scoured.

Q. Do you believe that the dam would have gone the same as the coffer dam went? A. It might have, sir.

Q. You decided to make a change of location after you made soundings or pits? A. Yes, test pits.

Q. What prompted you to make those test pits? A. The idea was to assure ourselves of a depth at which solid rock would be found.

Q. Were there any pits where the old dam was to be built? I saw none on the plan? A. No, sir, I do not think so.

Q. How do you mean? You made pits in order to make the change of location without making test pits at the place where the dam was to be built? A. I am speaking of the present dam.

Q. What prompted you to make those tests and not where the dam had been contracted for? A. I never took any cognizance of the other dam at all.

Q. Why? A. Because I did not like the location on account of this dry channel below.

Q. Were you aware that the contract had been given out and signed? A. Yes, sir.

Q. And signed? A. It was not signed.

Q. You knew the contract was given out? A. Well, yes, yes I knew that.

By the Chairman:

Q. What do you mean by saying the contract had been given out? A. I understand that the contract had been awarded.

Q. That is to say they had been told they would be given the contract? A. Yes, sir. I took that for granted.

By Mr. Ducharme:

Q. Did you approve of the location on where it was intended to put the first dam? A. No, sir. After examination I did not, sir.

Q. If the location of the former dam had been made so that it would meet in the centre of the island, would it not have been better? A. No, sir, I do not think so. In my opinion the best location is the location we are building at to-day.

Q. That is not what I am asking you. As a general rule, if you had to prepare a plan for a dam, don't you think that using the island as part of the dam would be better than the way it was first intended to put it? A. I don't see any objections to the placing of it further down.

Q. Don't you think it would have cost less? A. Yes, I think so.

By the Chairman:

Q. To have placed it further down? A. Yes, sir.

Q. That is all summed up in your statement that you considered the last situation the better of the two? A. Yes.

By Mr. Ducharme:

Q. After you made this change in the dam you decided to put it higher up, didn't you? A. You mean higher in elevation?

Q. Yes. Is the dam built to-day higher than the one intended to be built at first?

By the Chairman:

Q. Than the wooden dam? A. No, sir, our dam is two feet lower than the top of the wooden dam.

By Mr. Ducharme:

Q. So really the top of the actual dam is lower than the top of the wooden dam? A. Yes, sir. We had to be careful about the towns of Liskeard and Haileybury. The Haileybury sewers were involved and the waterworks.

By the Chairman:

Q. But we have some evidence here from Mr. St. Laurent that after the wooden dam was designed it was intended to raise the level of the water about five feet, and the dam was made accordingly? A. Our idea was to make the lake at the upper end not higher than 590. I am speaking of the elevation above the sea, but we are going to reduce the low water level lower than formerly.

By Mr. Ducharme:

Q. Is the top of the actual dam higher or lower than the top line of the island? A. The top of our dam, sir?

Q. Yes? A. It is higher than the greater part of that island, but it is lower than the higher part of the island.

Q. You had some cribwork to do there, some filling? A. Yes, earth filling right across. That is the reason for that embankment right across.

Q. When I was speaking about the unwatering, there was a tender for $54,000. There was one for $15,000, one for $4,000, and one for $20,000. Now, which of these amounts would you at the time consider a fair tender? A. I would have been inclined to think the $15,000 or the $20,000.

By the Chairman:

Q. It was originally intended for a coffer dam for a wooden dam? A. For a wooden dam that would be rather higher.

Q. But for a concrete dam such as you designed later on, $15,000 or $20,000 would seem to be a fair estimate? A. Yes, sir.

By Mr. Ducharme:

Q. Now when you changed the location of the dam you found it necessary to make a new specification? A. Yes, sir.

Q. You knew that a new specification would increase the cost of the work? A. Yes, sir.

Q. Coffer damming as well as the concrete damming? A. Yes, sir.

Q. Did you report to that effect to the Deputy Minister, or Minister, or his Chief Engineer? A. I do not find a report covering that, sir. I was under the impression I had, but I don't find the report.

Q. How would the Department come to make such a change? A. Well we had several conversations regarding it. I am sure they would be made cognizant of the fact verbally.

By the Chairman:

Q. Of what fact? A. Of the estimated cost of the new dam.

Q. That would include in its figures the estimated cost of the coffer dam on the new site? A. Yes, sir.

By Mr. Ducharme:

Q. Do you remember having made those specifications? A. I have a recollection. Either Mr. Matheson or myself made them.

Q. But you know they were made? A. I am pretty sure sir.

Q. You made those soundings in the month of April? A. Yes, sir.

Q. Those tests? A. Test pits, sir.

Q. Were you there in the month of May? A. Yes, sir.

Q. Were you there when Messrs. Kirby & Stewart went there, or Mr. Kirby alone? A. Oh, yes. I met him on the work two or three times.

Q. Were they made aware of the change of location of the dam? A. Yes, sir.

Q. Did they approve of it? A. Well, I don't know. I did not ask them.

Q. They were made aware that there was to be a change of location in the dam? A. Yes, sir.

By Mr. Lake:

Q. Did they make any protest against it? A. Well, several times I had conversations with them, two or three times I should think, and they objected, my recollection is, to the classification of excavation. That was always their objection.

By Mr. Ducharme:

Q. That was not as to location? A. No, but as to the increased excavation.

Q. As a matter of fact they started to work in the month of June? A. I think in May or June.

Q. They say themselves they started in June. They started the work before they had the contract? A. Yes, sir.

Q. Did you give them the order to start the work? A. I do not remember.

Q. Had you issued instructions to begin the work? A. I do not think so, I think verbally.

Q. Cannot you remember that, how they came to begin work in the month of June? A. You see they had already supplied some material previous to my going on the work at all, and then they sent in apparatus in May, I think, April or May, and the work began about June as they state there. They had to put up derricks and one thing and another like that.

Q. Now the contractors say they were advised of their contract being awarded. Were they advised by you, or by whom were they advised? A. By the Department, sir.

Q. Not by you? A. No, sir.

Q. Are you aware that the Auditor General objected to this contract being accepted when the new tender was asked for? A. No, sir.

Q. You are not aware of that? A. No, sir.

Q. In making that filling on the island there, had you to excavate, had any excavation to be made on the island for this filling? A. It was filled from the Ontario channel.

By the Chairman:

Q. Had you to excavate the island itself? A. We likely did for a bank key.

By Mr. Ducharme:

Q. What kind of soil was it? A. The top was a lot of vegetable mould.

Q. What you call the key would be one foot? A. One, to three.

Q. About six feet wide? A. Something like that, I do not know exactly what was done there.

Q. At all events new specifications and new plans were made before the contract was signed? A. Yes, sir.

Q. And the work started? A. Yes, sir.

Q. You mentioned that you took different levels of the water in the lake? Where did you get that information? A. About the different levels in the lake?

Q. Yes, high and low water. A. We got that from the observations we made in March and from general information got from people in Liskeard anl Haileybury.

Q. There is no official record of the different heights of water in different years? A. No, sir, not up to that time, there has not been any record kept up there.

Q. In the first tender there was a schedule of prices annexed to the tender form in which concrete was mentioned? A. Yes, sir.

Q. But on the plan there was no concrete mentioned? A. No, sir.

Q. On the specification there was no concrete mentioned? A. No, sir.

Q. As a matter of fact, in practice, in order to get concrete should it not have been mentioned either in the specification or on the plans? A. Yes, sir, it should.

Q. Otherwise there was to be none? A. I would not say that the fact of mentioning it in the schedule would show that it was contemplated.

Q. It was a printed form. That is all there was. Nothing to show that it was the special work of the engineers? A. No.

Q. Amongst them there is an item called concrete, but really it does not form part of the specification or the plans? A. Yes.

By the Chairman:

Q. You promised me that you would look up to see what by any possibility this word 'concrete' in the schedule unit prices would refer to. Did you find out? A. No, sir. I asked Mr. St. Laurent and he said he did not know about it.

Q. Then having regard to the plans for the wooden plan and specifications and also the tender, you cannot give any meaning to these words 'concrete one, three and five'? A. None beyond that I gave yesterday.

Q. You cannot give us any meaning why these should be unit prices where no such work seems to be contemplated? A. No, sir.

By Mr. Ducharme:

Q. Is it not most likely that those printed forms contained extras that might have happened in that work, and those forms were simply put in there as being the nearest forms to apply in this case that the word 'concrete' was not specially put in there but was put there as in the ordinary form? A. I do not know about that. I think these are specially printed for each separate contract.

Q. You think these forms were made for this contract? A. I think so, sir.

Q. Now, Mr. Coutlee, was there any possibility with these plans or specifications of finding out the quantities of concrete that would be required? I am speaking of the first dam. A. No, sir.

By the Chairman:

Q. Looking at that original tender form, having regard to the fact that no concrete was specified in the plan or in the specification, wouldn't you think that that merely meant that if some concrete became incidentally necessary, the price would be the amount quoted by them per yard? A. Yes, sir.

Q. That is the interpretation you would put upon it? A. Yes, sir.

Q. If it should happen that some concrete work was necessary in that particular form, the price the contractor would expect would be the price they quoted? A. Yes, sir.

By Mr. Ducharme:

Q. If those forms were printed specially for this work, who would be the party who would know? A. I presume the Chief Engineer.

Q. You do not know? A. No, sir, I am not in the Department.

Q. On the Ontario channel works, was there any heating done to construct the concrete dam in the Ontario channel? A. Yes, sir, we put in steam pipes over the top of the concrete there.

Q. Was that put in there before the frost bit? A. Yes, sir, that was done in February of 1910.

Q. When the dam was built there some of the concrete froze? A. Yes, sir, some of the top layer froze. We had very cold weather there for a while.

Q. Was there much frozen? A. Not very much.

Q. Can you estimate the value of the damage that was done? A. No, sir; I may say this, it is possible to lay concrete in the winter time and allow it to freeze. Now that is not looked upon with great favour, and in the spring time you are liable to have the outside edges where it is frozen and thawed disintegrate. But of late years it has been the practice to lay in the winter time.

Q. Did you take it off? A. We took it off around the edges.

Q. Not all? A. Oh, no.

Q. Were you aware then that the time fixed for the ultimate contract was 20th July, 1910? A. Yes, sir.

Q. While you were working at it, from the way the work was proceeding, didn't you understand that they would be over that time? A. Yes, sir.

Q. Did you tell the contractor? A. Yes, sir.

Q. If that contract was to be concluded by the 20th of July, did it become absolutely necessary that a part of the concrete would have to be done in winter? A. Not absolutely.

Q. It is not finished yet? A. No, sir, it is not finished yet. At least I did not foresee a great deal of winter work.

By the Chairman:

Q. How do you mean you did not foresee, when you were making your plans? A. Yes, sir.

Q. If they had gone on with their work as they should have gone on from the beginning, there would have been no need of winter work? A. No, sir, I do not think so.

By Mr. Ducharme:

Q. In the month of November and December, they had merely started the Ontario channel? A. Yes, sir.

Q. Nothing had yet been done on the Quebec side? A. No, sir.

Q. And yet the whole work had to be finished on the 20th July? A. Yes, sir.

Q. Didn't you foresee there was no possibility of that? A. No possibility.

Q. Well, the contractor must have foreseen that? A. Oh, yes.

Q. From the fact that he had accepted the tender as it was, he must have been aware that he would be required, and would have to do it? A. Well, yes.

Q. When the work of coffer damming the Quebec channel began, was the concrete dam on the Ontario side finished? A. Yes, sir.

Q. There was nothing to prevent the contractor from going on with the coffer dam on the Quebec side while the Ontario channel dam was being completed?

By the Chairman:

Q. There was nothing to prevent him commencing the coffer dam anywhere? A. Yes, they could have begun the coffer dam.

By Mr. Ducharme:

Q. Could they have proceeded with the concrete work as the coffer dam was proceeding? A. Yes, sir.

By the Chairman:

Q. As a matter of fact didn't they make a start with half a dam on the Quebec side at one time? A. Yes, sir.

Q. For the purpose of doing some concrete work? A. That was in the fall of 1910.

Q. Before the whole coffer dam was over? A. Yes, sir.

Q. And you explained that some back water came up and stopped that? A. That was at another stage of the work. That was the low dam.

Q. They did some concrete work? A. Yes, they did some.

By Mr. Ducharme:

Q. When the Department agreed to put in the cost of the coffer damming, plus fifteen per cent, how much work was done then?

By the Chairman:

Q. On the Quebec side? A. There was none.

By Mr. Ducharme:

Q. At that time the whole Ontario dam was finished? A. Yes.

Q. How much of the Quebec channel was built? A. There was a portion of the coffer dam built about half way out into the channel.

By the Chairman:

Q. And some small amount of the concrete done? A. No, sir, it was after this. The concrete on the Quebec side was built only under the protection of the dam they finished in January or February.

Q. All that part? A. Yes, sir, that concrete was laid in the summer, about April.

By Mr. Ducharme:

Q. When that was decided was the part of the coffer dam gone then?

By the Chairman:

Q. When what was decided?

Mr. DUCHARME.—To give the cost, plus fifteen per cent.

WITNESS.—I think there was during October, 1910, a very high rise, and a portion of the original dam was taken out.

By Mr. Ducharme:

Q. How much of that was gone do you know? A. It seems to me the outside crib. It would be a matter of 30 feet by 25.

Q. So the fifteen per cent would only apply to the work there at that moment? A. My recollection is that my intention was that the whole coffer damming, that is, including those pits that had been built—I never put very much faith in those pits standing. I thought we would have to overlap.

By the Chairman:

Q. So far as you were concerned you intended to recommend that they should be paid for the whole cost they had been put to or should be put to in coffer damming the Quebec channel? A. Yes, sir.

Q. As to what the Minute of Council means, that is a matter for judicial interpretation?

By Mr. Ducharme:

Q. At that time when you agreed to grant fifteen per cent to the contractors, were you aware, or were you under the impression, that the contractor was losing money? A. Yes, sir.

Q. Were you aware of it? A. I was under the impression.

Q. If the contractors were then losing money, don't you consider it was their own fault? At that time had the contractor neglected the execution of his contract? A. Oh, yes, he was behind time.

Q. Much behind? A. Yes, sir.

Q. And part of it on account of having bad men to manage his work? A. Yes.

Q. And partly from his own negligence? A. From need of plant and machinery.

Q. You said he had two good foremen there? A. Yes, sir.

Q. How long were his foremen there? A. These two good men were there while the Ontario work was being done, the work in the Ontario channel, from the fall of 1909 till some time in 1910.

Q. You do not know why they left? A. Well, one man died on the work, the best man died on the work. The other man left to get other employment.

Q. Not the fault of the contractor? A. I do not think so, sir.

Q. Will you kindly read clause 6 of the specification. (Witness reads clause). Would not this clause cover any claim the contractor might make in the name of unwatering or coffer damming? A. It would theoretically.

By the Chairman:

Q. Mr. Ducharme was asking a moment ago whether when you recommended that the Government should undertake the cost of coffer damming you intended the fifteen per cent which was allowed to them to apply to all the cost of the coffer damming. Now, as a matter of fact, on examining your report, your recommendation, I find you said nothing at all about fifteen per cent? A. In the recommendation?

Q. In the recommendation? A. I do not remember about that, sir.

Q. I will read your words. These are the words of your letter of recommendation, dated December 13, 1910: "I therefore recommend that the work be continued this winter by hoisting it in as arranged for by Order in Council, and that the Department assume the risk and pay for the coffer dam in the Quebec channel." These are the words, and you see you say nothing there about paying them any plus. Then later, in estimating the probable expenditure at $20,500, you make no allowance whatever for fifteen per cent. You appear to have made no written recommendation of fifteen per cent. Do you remember making any verbal recommendation afterwards? A. I do not remember it, sir. It is customary to add fifteen per cent to cover tools and superintendence.

Q. I didn't ask whether it was customary. You mean to say that in certain cases, when the Department takes over work, it allows fifteen per cent for expenditure? A. Yes, sir.

Q. But that is a matter of arrangement between the Department, not a matter of right? A. No, sir, a matter of arrangement.

Q. And whether it should be allowed or not would depend on the moral claims of the contractors, wouldn't it? It would be a thing for the Minister to take into consideration and recommend to Council whether, in all surrounding circumstances, they should be allowed a certain amount? A. Yes, sir.

Q. A matter of policy therefore. It might be a justifiable thing in one case and not necessarily a justifiable thing in all cases? A. Yes, sir.

Q. So, so far as you are concerned, you had nothing to do with it in this case? A. No, sir.

By Mr. Ducharme:

Q. On 7th November, 1910, you wrote to the contractors that their contract limit was extended to the 31st December, 1910. Do you remember that? A. No, I do not remember.

The CHAIRMAN.—Well, that is so.

By Mr. Ducharme:

Q. What was the object in writing him this letter, or do you admit that you wrote the letter? A. Yes, sir. On two or three occasions I got the time extended.

Q. What was the object of writing them on 7th November that the time limit was extended to 31st December, 1910? A. I understand it is very good policy to keep the contract extended that way, that is, not to let it lapse.

Q. You knew at that moment it was really impossible to complete the contract by that time, 31st December, 1910? A. I think that extension was something like six months, I remember giving a few weeks.

Q. That was later on. The dredge *Queen* was working there? A. Yes, sir.

Q. All the time it worked there, did it work for the Government or the contractor, or both? A. It worked for the Department alone.

Q. Was there a man named Rogers on these works? A. Yes, sir.

Q. Wasn't he one of the partners of Kirby & Stewart? A. I do not think he was a partner. He is a connection of Mr. Kirby's.

Q. Was he there long? A. He was there a good deal during the winter of 1910-11.

Q. Wasn't he there in the summer of 1909? A. I do not think so, sir.

Q. Do you personally know if there was any lumber lost there? A. No, sir.

Q. By the flood taking it away? A. Oh, yes, some of it carried away.

Q. A great deal of it? A. Well, there would be the timber in the part of the coffer dam that went, the timber of the cribwork.

Q. In two instances.

By the Chairman:

Q. Both on the Ontario side and the Quebec side? A. On the Ontario side it was blown out purposely.

By Mr. Ducharme:

Q. But on the Quebec side it was twice taken away. On the first occasion it was taken away, was there much lumber lost? A. No, on the first occasion there would be a certain amount, not very much. On the second occasion there would be a great deal.

Q. Could you specify the amount? A. I cannot say.

Q. How long will it take before this work is finished, do you think? A. If the present dam holds out, I hope to have it finished by May of this year, or at any rate to have half the dam done and the Quebec channel, and finish it as soon as the spring flood is over. That is my hope.

By Mr. Lake:

Q. What do you estimate the whole cost of construction to be since it has been undertaken by the Government? A. That would be outside of their estimate, the work we have done this fall?

Q. Since you have taken it off Kirby & Stewart's hands? A. Since August 11, we have now expended $50,000, and I should say it will cost $25,000 more to complete the unwatering and do the excavation necessary.

By the Chairman:

Q. How much to finish this dam? A. And to complete the concrete work, about $45,000.

Q. That is $70,000 will be expended? $25,000 and $45,000? A. Yes, sir.

Q. Is there any other work outside of that that you have not put in these figures?

By Mr. Lake:

Q. Will that complete the whole dam from the Quebec side to the Ontario side? A. Ontario is completed practically. In addition there is some excavation to be done on the Ontario side. That would amount to about $5,000.

By the Chairman:

Q. Does that include the widening of the channel? A. Yes.

Q. In your opinion, $75,000 will have to be expended to complete the work? A. At least that.

Q. Possibly $100,000? A. Possibly.

Q. That is of course, hoping there will be no more coffer dams going out? A. Hoping there will be no further trouble.

Q. What is close sheet piling? What is meant by that term? A. Close sheet piling is the driving of piles touching one another, that is, they are in contact.

Q. Are they flattened piles or round? A. Yes. Frequently 8 x 10.

Q. Flattened timber? A. In close contact.

Q. Are you expecting to do some close sheet piling on the Quebec side? A. Yes, I think it has begun already.

Q. You mean that piling is to be done on the north side of the concrete platform. A. I think it means extending down into the ground.

Q. As a matter of fact, this piling is to be done at the north edge of the concrete platform? A. Yes.

Q. And also some at the south edge? A. Yes.

Q. To prevent back water? A. Yes, sir.

Q. Now that is a matter first of getting your proper piling and second of driving, isn't it? A. Yes, sir.

Q. Is that done with pile drivers? A. Yes, sir.

Q. Are there any pile drivers on the work? A. Yes.

Q. Did the contractors have them there? A. No sir. we brought them on ourselves.

Q. When? A. This fall.

Q. Was anything of that kind provided for in the contract or specification, or by way of extra? A. I do not think so, sir.

Q. Then you mean to say, in the original contract such a thing was not contemplated? A. No, sir.

Q. It could have been provided for by an independent contract I presume. Suppose that Kirby & Stewart had gone on and finished their concrete work it would be a mere question of giving them the contract to do that work. or it might have been done by some one else, couldn't it? A. It would not have been very good policy to put another contractor in.

Q. Not good policy? A. No.

Q. And consequently, if the contractors were willing to do this at a fair rate, the Department would naturally give them the contract to do it? A. Yes, sir.

Q. Now, some suggestion has been made that a further change in the design of the dam on the Quebec side should be made, a wider opening for the lakes to pass through? A. Yes.

Q. That was a mere question of change in the design? A. Yes.

Q. That would mean giving out a certain amount of concrete work, wouldn't it? A. That would mean rather more concrete.

Q. More concrete? A. Yes, sir.

Q. In which way, explain briefly? A. One pier would be left out, making an opening 45 feet instead of two openings of 20 feet in the pier, but the two piers on either flank of the wide opening would have to be extended down about 50 feet.

Q. You mean to say the pier, one pier on either side of the flank, and that opening would have to be made wider? A. Much wider, yes sir.

Q. Although you cut out one concrete pier, more concrete would have to be added to the other work? A. Yes.

Q. That would be a question of cubic yards of concrete? A. Yes, sir.

Q. And there would be no great difficulty, if you were making the concrete piers there, for the contractors to make those larger piers? A. No, sir.

Q. Now in the Minute of Council which is dated August 11, 1911, I find that Messrs. Kirby & Stewart have represented that it would be: "exceedingly difficult to continue the work under the present circumstances owing to conditions entirely beyond their control." Now what could be meant by such a phrase? A. I do not know.

Q. On August 11 the coffer dam had to be built? A. Yes, sir.

Q. And of course that was difficult work to do, that is, an expensive work to do, but do you know any reason, particular reasons, in the nature of matters, that made it exceedingly difficult to continue the work? A. No, just the difficulties that are always associated with that sort of work.

Q. If those words, "conditions entirely beyond their control" did not refer to their own financial circumstances. you would not know what meaning to place upon them would you? A. No I don't.

Q. Then this they say: "The close sheet piling proposed in the foundation would largely increase their risks by lengthening the period of difficult work to be done inside the coffer dam." Now inside the coffer dam means below, down the river? A. Between the two coffer dams.

Q. Between them we will say. The work to be done then was concrete work of all kinds? A. Yes.

Q. Putting sheet piling down at either side of the platform, would not necessarily lengthen the period of work if they had enough men to carry on the two works at the same time? A. No.

Q. The sheet piling could be going on while they were putting up the concrete piers? A. Yes, sir.

Q. I suppose as a mater of fact, the first thing in the concrete work is to get your platform down? A. And the cut-off beneath it.

Q. Then you proceed to build your piers? A. Yes, sir.

Q. And when that pier building was going on, the sheet piling could also be going on, couldn't it? A. Yes, sir.

Q. Then he winds up by saying: "The engineer in charge reports that under the circumstances it would be advisable and in the public interest not to proceed further with the construction of the dam as contracted for, and that the contract should be determined at the present stage." In the first place, did you as engineer in charge, make such a report? A. Yes.

Q. Well, he divides it into two parts. Did you report this:

"Not to proceed further with the construction of the dam as contracted for?" A. I think so, sir.

Q. Why not proceed with the construction of the dam as contracted for? What change did you want? A. The difficulty we found in making the cut-off wall beneath the concrete platform—it extends down 10 feet beneath the platform of the sluiceways.

Q. Is the cut-off up stream? A. It is to prevent percolation underneath.

By Mr. Lake:

Q. Right down below the foundation? A. To prevent seepage.

By the Chairman:

Q. It is situated right under the piers, is it not? A. Yes, it runs lengthwise to the dam.

By Mr. Lake:

Q. Across the river one continuous wall underneath? A. Yes.

By the Chairman:

Q. Its upstream edge would be directly underneath, the upstream edge of the pier? A. Yes, sir.

Q. Had that been contemplated in the original position, the cut-off wall? A. Yes, sir.

Q. Why did you use these peculiar words: "The construction of the dam as contracted for"? Doesn't that mean not to proceed with the construction of the dam under these contractors? A. I do not know that I used these actual words.

Q. They are in the Minutes of Council. I am asking you whether you recommended that the construction of the dam as contracted for should not be proceeded with? A. I think so, unless where I proposed to change this concrete cut-off wall, to sheet piling in that part.

Q. But still that was a change which, if the contractors had been perfectly satisfactory and had been proceeding with their work, could have been made without departing from the original contract. The contract was susceptible of allowing such a change to be made in design at any time, wasn't it? A. Yes, sir.

Q. And you recommended that the contract should be terminated? A. I think so, sir.

Q. And for all the reasons which you have given us in your evidence? A. Yes.

Q. The Minister's Minute goes on to say after the words I have just quoted. "The security cheque of $8,000 deposited in connection with the same to be returned to the contractors, and work already performed, materials delivered, and plant supplied, to be paid for". Now you didn't in your recommendation make any reference to the return of the security cheque, did you? A. I might have, I think I did.

Q. Did you make a written recommendation?

The CHAIRMAN.—Witness consulting his letter book says there does not appear to be any report in writing to that effect from him.

By Mr. Ducharme:

Q. I ask if you could tell me how much work was done when you received instructions to pay for the cost of the work? A. Yes, sir, that was on 24th January, 1911.

Q. Can you find how much of the work was at that time done? A. The coffer dam was across the channel then, 24th January, 1911.

Q. It was only from the 24th that the contractor should have been paid the cost? A. I do not know how it reads. I always thought it meant the whole work.

Q. You told me that the change of location in order to make excavation to help the flow of the water, made it necessary to make changes in the sluices which increased the cost of that work? A. Yes, sir.

Q. That was for the Ontario channel then? A. Yes, sir

Q. Would the same thing apply to the Quebec side? A. Yes, sir.

Q. Would you make the same change? A. Yes, to increase the excavation.

Q. Have you an excavation to make there too? A. Yes, there is some there.

Q. How much excavation did you make there in the Ontario channel? A. About 700 feet altogether.

By the Chairman:

Q. On the 12th July, 1911, a letter was addressed to the Minister of Public Works, and was signed by the Assistant Deputy Minister, and by you. Apparently, from the typing, it was done in the Department. Amongst other things, it winds up with this, that the security deposited in connection with this contract be returned as there is no default. First with regard to that statement, was this letter prepared by you or by somebody else and signed by you? A. That letter I had forgotten about. That letter was a joint letter from Mr. St. Laurent and myself covering the whole work and reporting in favour of taking it all off their hands.

Q. The point I asked you is, who prepared that letter? A. Now I do not know whether I prepared that letter. I think that letter was prepared in the Department.

Q. I presume you read it over at the time you signed it? A. Yes, sir.

Q. Well what did you mean by saying that the deposit be returned as there is no default? The time had expired, hadn't it? A. Yes, sir.

Q. Technically or theoretically, as you say, there was a default? A. Yes.

Q. While in their manner of conducting it they were very much in default. You are now conscious that you used those words? A. Not that word "default." I don't remember about that, though I remember discussing it.

Q. If you saw them, you didn't take much notice of them? A. I do not think so.

Q. You would not like to say now that there was no default on the part of the contractors, would you? A. No, sir.

Witness retired.

F. K. Bennetts, Ottawa, sworn.

By the Chairman:

Q. What is your position? A. Assistant Clerk to the Privy Council.

Q. At my request, Mr. Bennetts, and by the direction of Mr. Boudreau, what is his position? A. Clerk of the Privy Council.

Q. You have supplied me with certain memoranda by the Minister of Public Works, directed to the Governor General in Council, and with copies of certain Orders in Council based on those memoranda? A. I do not know about the copies of the Orders in Council. We have supplied the memoranda.

Q. You have only supplied us with the memoranda? A. Not the Orders. I understood you had the Orders.

Q. Well with certain memoranda. The first copy is dated November 28, 1908, signed by the Minister of Public Works? A. Yes, sir.

The Chairman—The following are the memoranda:—

"Report to the Council, 28th November, 1908. P.C. No.2631¾. Received Privy Council Office, 28th November, 1908, or 1st December. Minister of Public Works present. Approved by the Governor General, 18th January, 1909".

"Report to Council 20th February, 1909, P.C. No. 374. Received in Privy Council Office, 20th February, 1909. Presented to Privy Council, 20th February, 1909 (or 22nd February, 1909). Passed Privy Council, 12th March, 1909: Minister of Public Works present. Approved by Governor General, 13th March, 1909".

"Report to Council 11th November, 1910. P.C. No. 2287. Received Privy Council Office, 12th November, 1910. Presented to Privy Council 12th November, 1910, or 14th November, 1910. Passed Privy Council 21st December, 1910. Minister of Public Works present. Approved by the Governor 22nd December. 1910."

"Report to Council 4th January, 1911. P.C. 51. Received in Privy Council 12th January, 1911. Presented to Privy Council 12th or 13th January, 1911. Passed Privy Council 20th January, 1911. Minister of Public Works present. Approved by the Governor General, 24th January, 1911".

"Report to Council, 5th August, 1911. P.C. No. 1847. Received in Privy Council Office, 7th August, 1911. Presented to Privy Council 10th August, 1911. Passed Privy Council 10th August, 1911. Minister of Public Works not present. Approved by the Governor General, 11th August, 1911".

By the Chairman:

Q. You have provided with relation to each of those memoranda a report showing when it was received by the Privy Council? A. Yes, sir.

Q. When presented to the Privy Council? A. Yes.

Q. When it passed? A. Yes.

Q. And whether the Minister of Public Works was present or not? A. Of course you notice there are two dates for passing.

Q. Take this memoranda dated 28th November, 1908? A. It was presented to the Privy Council on the 28th November, 1908. There was a meeting held on the 28th November, 1908, and if we received that memoranda late in the day it would not go before that meeting. It would not be possible to put it before that meeting. But it certainly went before Council, either on that day or at the first meeting thereafter, which was on the 1st December, 1908. It passed the Privy Council on the 15th January, 1909. The Minister of Public Works was present on that day. It was approved by the Governor General on the 18th day of January, 1909.

Q. It was presented to Council on the 28th November or 1st December? A. Yes, that is our memorandum.

Q. It passed the Privy Council on the 15th January, 1909, and the Minister of Public Works was present, and was approved by the Governor General on the 18th January, 1909.

By Mr Lake:

Q. Is the date of Order in Council the date on which it passed the Privy Council, or the date on which it received the assent of the Governor General? A. The date on which it received the assent of the Governor General.

Q. That is always the case? A. Always the case, invariably. The other date is never mentioned. The other date is never known outside the Privy Council.

Q. The date of the Order in Council is the date on which it receives the assent of the Governor General? A. Yes, sir.

By the Chairman:

Q. You have prepared these memoranda from the records of the Department? A. Yes, sir.

And they are correct? A. They are, sir.

Q. I suppose you make a duplicate in every case? A. We have compared them to-day with the report of the Minister of Public Works and the original Orders in Council. There is no difference in any way, except in this one, No. 51.

Q. What is the date? A. January, 1911, some time.

Q. That is a memorandum dated 4th January, 1911? A. This was a very long memorandum. There is more in this than there is in that.

Q. A long memorandum from the Minister? A. We cut that down a little in presenting it to Council, but when we presented it to Council, when we presented the Minute to the Council, we attached this memorandum, so that all the information might be before Council. So while that Minute is not full—

Q. You mean, while the Minute of Council is not so full as the Minute by the Minister? A. The Minister's report was placed before Council and all the information was therefore given to Council just the same as if the entire information had been embodied in this Minute. The Public Works Department seemed to be quite satisfied with the Minute so consequently we allowed it to stand.

Q. The Public Works Department seemed to be satisfied with the Minute made in the form of a report to Council? A. Yes, sir.

Q. And cut it down to make it shorter? A. Shorter.

Q. As a rule the Minute which you prepared in your office is based upon the Minute sent in by the Minister? A. Yes

Q. And follows it as closely as possible? A. Word for word

Q. But sometimes, as in this case—A. If very long, we may abbreviate useless recitals. This recites a whole lot of things that have been recited a good many times.

Q. Therefore you abbreviate. But whenever you abbreviate in that way, you attach the Minute itself made by the Minister? A. Certainly.

Q. So that Council would always be in possession of what the Minister had said? A. Yes, sir.

By Mr. Lake:

Q. In any copies of Orders in Council supplied by you to the Departments, you would be very particular to have all the stops exactly as they appeared in the original Order? A. As a matter of fact, our copies are generally carbon copies of the Order, that is, they are simply the same thing.

Q. All your copies are certified? A. All our copies are certified and signed.

By Mr. Ducharme:

Q. The Order in Council, or rather the memorandum, is prepared by the Deputy Minister?

The CHAIRMAN.—The Minister's memorandum. Mr. Ducharme means?

WITNESS.—I presume so.

Witness retired.

OTTAWA, FRIDAY, February 2, 1912.

The Commission met at ten o'clock this morning.

PRESENT.

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esquire,
Commissioner.
R. S. LAKE, Esquire,
Commissioner.

R. J. ROBILLARD, Ottawa, sworn.

Examined by the Chairman.

Q. What is your official position? A. Chief Draughtsman Department Public Works, Engineers Branch.

Q. Do you remember the Lake Timiskaming Dam? A. Yes, I remember it in a way. I remember it went through my hands as far as specifications are concerned, but it is so long ago.

Q. Did you have anything to do with the original specification for the wooden dam? A. No, sir.

Q. Would you produce the forms to be used by tenderers in tendering for the work?

The witness produced three forms marked as Exhibits Nos. 1, 2 & 3. Exhibit 1, a printed form of a tender to be made by persons desiring to contract for a bulk tender. Exhibit 2, practically the same as far as the wording, except that at the bottom there is another clause to be used if there is a schedule to be attached. Exhibit 3, a form of tender where the prices are to be known as unit prices.

Q. In your position in the Department you have to deal with the forms of tenders? A. Forms of tenders,—I verify them to see that everything corresponds with the plans.

Q. That is generally your work there? A. I prepare the plans. Besides that I see about the preparing of plans and things like that. I have a certain number of men there.

Q. That is a general description of your duties? A. Yes, sir.

Q. By the word "plans" you refer to the drawings which are made? A. Yes, sir.

Q. By the word "specifications" you refer to the quantities and kind of work that is to be done? A. Yes, the kind of material used, the mode of construction, the length of the work, the breadth, and the way it should be done generally.

Q. When tenders are to be asked for, the plan or plans are made, specifications are drawn up, and the person desiring to tender can see those plans and specifications at the Department, and he can procure at the Department the printed form of tender which has been provided for? A. Yes, sir.

Q. Form 1 which you have put in is a form used for bulk tenders? A. Yes, sir.

Q. Form 2 which you have put in is another kind used for bulk tenders, but it has attached to it a schedule of prices? A. Yes, sir.

Q. In that Form the bulk sum is intended to cover all the work which is shown by the plan and by the specification? A. Yes, sir.

Q. And the schedule of prices is merely for extra work which is not shown either on the plans or specification? A. Exactly.

Q. And which may become necessary in the course of the work? A. Yes, sir.

Q. Exhibit No. 3 is a Form of Tender, where the prices are to be known as unit prices? A. Approximate quantities are given.

Q. As part of that Form of Tender a schedule of prices is given, in which there is a description of the work, and the approximate quantities, and blank spaces for the tenderer to fill in the rate per unit which he will ask for the different descriptions of work. In that latter case, Exhibit 3, what a man tenders for is the unit price? A. The unit prices. Yes, sir.

Q. The quantities are only approximate? A. Yes, sir.

Q. And of course will be varied in the actual work, but it is not the intention that the price per unit may be varied? There may be a variation in the quantity, but not in the price? A. Yes.

Q. And the total price that a man receives under that tender will later on depend on the unit prices paid for the quantities which the work has really amounted to? A. Yes, sir.

Q. In making up after tenders have been received, and are opened, and your memorandum is being made up in order that tenders may be awarded, what you do is to apply the unit prices quoted in the tender to the approximate quantities given in the tenders? A Exactly.

Q. And the result shows what the total charge will be? A. With that part of the work I have nothing to do whatever.

Q. I am asking as to the method; you know enough of the system to know that is the method? A. I know that is the way it is done.

Q. Have you any other forms of tender that you wish to show me? A. These are simply extra copies of the forms I have put in.

Q. You told us that in general practice the plans are provided by the resident engineer? A. Yes, sir.

Q. And of course are criticised in the Engineers Department here? A. Yes, sir,

Q. And changed or corrected as they like? And then the quantities, where are they worked out? By the resident engineer? A. The quantities are given by the resident engineer when there is a schedule attached to it in the form of tender.

Q. In the form of tender the quantities are those which the resident engineer has worked out, and which have been checked in the resident engineer's department? A. We do not generally check them, because we have no means of doing so.

Q. Who decides whether the tender shall be asked for in a bulk sum or a unit price? A. I do not know generally who does that, but the engineer sends in his specification, and the specification says it is to be a bulk sum, and if not it is to be on a unit rate.

Q. The engineer says that? A. The district or resident engineer who puts that in the specification, and I give it on the proper form of tender.

Q. When you say you give this it comes from the resident engineer to you? A. It comes from the resident engineer to the Chief Engineer, and the Chief Engineer sends them up to me.

Q. When you are told to provide for tenders you get your directions from the Chief Engineer? A. Yes, sir.

Q. Always? A. If he wants to change to a bulk sum or to a schedule or anything like that if he prefers it should be done by schedule rate the Chief Engineer would tell me otherwise I go generally by the specification made by the district engineer which is sent to the Chief Engineer in the first place, and sent me afterwards.

Q. But when it comes to you it always comes from the Chief Engineer's office? A. Yes, sir.

Q. Consequently if he forwards on the specification as the resident engineer has drawn it up you have got your order really from the Chief Engineer's office to make it in that form? A. Yes, sir. Although he does not tell me it is understood.

Q. Well that is the result, because by sending it on he has enclosed it? A. Yes, sir.

Q. Merely if he wants a change he orders you to do it? A. Yes, sir.

Q. Then, as far as you are concerned, you are merely carrying out the orders, implied or postive, of the Chief Engineer? A. Yes, sir.

Q. Had you anything whatever to do with asking tenders for the Timiskaming Dam matter? A. No, sir.

Q. Do you know who had? A. It is so long ago I cannot recollect exactly how the form was made. So many pass through my hands. I know it must have gone through my hands, because they generally do. It came to me, sent, I understood, by Mr. Perrault, but I cannot recollect.

Q. What was Mr. Perrault? A. He was sent out there I understood although I did not get anything official from anybody, I have been told that Mr. Perrault had been sent up there since—

Q. Mr. Perrault was working under Mr. Brophy, was he not, on the Ottawa River Works& A. He was working on the Georgian Bay canal, he was on the staff of the Georgian Bay canal.

Q. You say that it came to you from Mr. Perrault? A. No. it came to me from the Chief Engineer, but I understand Perrault must have sent it to the Chief Engineer, because they were his own plans.

Q. They were Mr. Perrault's plans? A. Yes, sir.

Q. I want you to speak to what you know? All you know is that in anything you had to do with tenders for the Lake Timiskaming Dam matter you acted on instructions received from the engineer's office. A. Yes, sir.

Q. You would have the original papers up there in the Department? A. No. sir.

Q. Where would they be? A. Well they are destroyed. These are old forms; the forms of all the original specifications pile up and fill a room in no time, coming from all over revise after revise, and I kept one year back generally.

Q. But you do not destroy plans of one year back for the work that is in progress? Do you? A. Oh no.

Q. This Timiskaming Dam is not finished yet? A. I know, but it has taken so long. I do not know how it was the printed forms are there.

Q. This work was only commenced in the latter part of 1908. We are now entering on 1912. It is only a little over three years since the work commenced. Surely you do not destroy the original specifications of work in progress? A. These happen to be destroyed. I have hunted for them.

Q. You say they must have been destroyed since you cannot find them? A. No, they must be destroyed, because I have a desk in my office for these specifications alone. The original specifications and the revises pile up so that when the drawer is filled up I destroy one year back. I did not understand that this work had not been done. I did not know anything about the dam not being completed. I do not know any more after the specification is given out, the contract has been made, and to whom it has been given, and when it has been completed we never get any news of that any more. I expected it was completed.

Q. In the original specification which has been supplied by the resident engineer, upon which tenders are asked for, surely they should be preserved until the completion of the work and the payment has taken place. Important questions of fact might arise? A. I thought it was sufficient that I signed in the Department for the specification. That gives a copy of the original with 'correct' and then they have printed forms. Thus I did not think the old original would be of any use.

Q. For the wooden dam in that matter there was used in fact a form in the shape of Exhibit No. 2 supplied by you here to-day, that is to say for a bulk sum, with a schedule of unit prices.

The witness is shown tender by Kirby & Stewart, dated the 19th of November, 1908, for $76,000.

Q. That tenderby Messrs. Kirby & Stewart is what you call a tender for a bulk sum, with a schedule of prices attached? Yes, sir.

Q. That is the prices to be applied to extra work? A. Yes, sir.

Q. And is exactly the form of Exhibit No. 2 which you have put in here to-day? A. Yes, sir.

Q. Well now in placing a form of tender before contractors you would be acting in the manner you have described as the result of directions received by you through the Chief Engineer's office? A. Of course I do not exhibit these afterwards. I have only the preparation of them, and then they go to the printer, and once they are printed they come to another office, which takes charge of these and distributes the specifications.

Q. Which office is that? A. Mr. Mackay now. It was then Mr. Coleman.

Q. Where is Mr. Coleman now? A. Assistant Secretary of the Department.

Q. And would Mr. Coleman have the placing of these forms before tenderers who came in? A. Some of them, and I go sometimes and get them from the room for a contractor, and take his name and address.

Q. When you say you prepare these forms, as a matter of fact your Department keeps printed forms of this kind on hand usually, does it not? A. Yes, sir.

Q. When you receive specifications from the Chief Engineer's office for a particular work, and a particular kind of tender form is to be used, how is it indicated by him as to what form of tender is to be used? A. It is indicated in the specification. It mentions for a bulk sum generally sent in by any district engineer. Then I prepare a form according to Exhibit 1 for a bulk sum.

Q. The specification would exhibit it? A. The specification mentions that.

The witness is shown the specification to the contract made by Kirby & Stewart, 27th July, 1909, and the Chairman states to him (relying on the evidence of Mr. Coutlee) that the first part of the specification attached to the contract was taken bodily from the specification which was used when the original tenders were asked for the original dam.

The witness says paragraph 6 as to price contains the words 'the price stated by the contractor in his tender" &c., &c., is the form always used with a bulk contract.

Q. And these words in the specification would indicate to you in your office that you were to prepare papers for a bulk tender? A. For a bulk tender, otherwise it would mention for a schedule.

Q. Then you say, looking at this specification which the engineer provided that that was the specification intended to be applied to a bulk tender? A. Yes, sir.

Q. According to the forms in use in the Department? A. Yes. Of course this special one which was sent me had a schedule list attached to it, because I would not have had it printed myself.

Q. And you say that when the original specification for the wooden dam was sent to you it had a schedule of prices attached? A. Yes, sir, asking for prices on it.

Q. Asking for prices? A. For prices, yes, on different kinds of materials, on different items.

Q. In the form which is used in Exhibit No. 2 for extra work? A. Yes.

Q. Such a schedule for a bulk sum when it was furnished to you would not contain the approximate quantities worked out? A. No.

Q. That is only used in Exhibit No. 3 where you are asking for unit prices? A. For unit prices.

Q. Approximate quantities would not be furnished to the Department where a bulk sum was desired? A. Well, sometimes they do.

Q. Merely by way of information I suppose? A. Well, it is left in the form of tender in case some extra work, some change of some kind, might come along, or more quantities be necessitated by the change.

Q. I here show you the file containing the tender for dam, &c., put in by Kirby & Stewart, dated 19th November, 1908, and already shown to you. That form of tender is the same as Exhibit No. 2 which you have put in? A. Yes, sir.

Q. And you will notice that in due course it has a schedule of prices to it? A. Yes, sir.

Q. In that schedule of prices there are no approximate quantities, no quantities are given, and there is no provision even by a blank form, no schedule for approximate quantities? A. Well this one here (indicating).

Q. There is a form, the word 'quantity' is placed on one line, but the approximate quantities are not provided? A. They are not provided, no.

Q. While in Exhibit 3, where unit prices are to be asked for, the approximate quantities are printed in the form of tender? A. They are modified for different works.

Q. I am speaking now of your usual practice? This tender form actually signed by Kirby & Stewart is a tender form for a bulk price, is it not? A. Yes, sir.

Q. And the prices quoted under the head of 'schedule' are intended merely for extra work as set out in the form itself? A. Yes, sir.

Q. You notice that in the tender signed by Messrs. Kirby & Stewart there is an insertion in the description of work in the schedule of two items of white pine? A. Yes, sir.

Q. And the same things appear in the tender by Mr. Rainboth, and also in the tender by Mr. Lumsden, but it does not appear in the tender by Mr. Conroy? Where would that change be made do you presume? A. I could not tell you.

Q. Do you recognize the writing in the figures in Lumsden's tender? A. No, sir, I do not know that writing.

Q. In Kirby & Stewart's tender the words 'white pine' are printed in ink, and it is impossible to say whether it was written by the person who wrote the words in the other two tenders? A. Yes, sir.

Q. And you cannot explain why it happened to be omitted in the Conroy tender? A. I cannot.

Q. And you do not recognize the writing in the other case? A. No, sir.

Q. In Lumsden's tender the amount given for 3 x 12 white pine is $6,048. In Rainboth's tender for the same thing, $13,500, and in Kirby & Stewart's the amount is not carried out? A. Not carried out. No.

Q. Then you say from this specification and from the practice of the Department and usual method in such circumstances that asking for tenders for that wooden dam according to Exhibit No. 2 and in the form in which the tenders were actually asked for was the correct thing to do? A. I suppose so.

Q. I mean to say correct as a matter of procedure through your Department? A. I could not answer that.

Q. The specifications for the wooden dam which you have been shown call for a bulk tender? A. Yes, sir.

Q. The form of tender which was actually placed before the contractors was bulk tender? A. Yes, sir.

Q. The form of tender which was actually used was the right form of tender for the specification which was provided? A. Yes, sir.

Q. And you do not know personally of any mistake having been made in that matter? A. Not that I recollect of.

Q. Mr. St. Laurent has said that through a clerical error a bulk tender was asked for when unit prices should have been asked for? Now you are not guilty of any clerical error in that matter, as far as you know? A. I do not recollect it. I had not been told to make it in any other way.

Q. You have never heard of any clerical error in connection with it? A. No, sir.

Q. You were never reprimanded for having made an error in that matter? A. No, sir.

By Mr. Ducharme:

Q. Mr. Perrault is not with you? A. Oh, no.

Q. Those forms you have just produced have been in use in the Department for how many years? A. Ever since I have been there. I have been in the draughting room now for about 12 to 14 years.

Q. Are they stiil in use? A. There was some change. This new form of schedule rate has been introduced by Mr. St. Laurent in the Department.

Q. When? A. I cannot say exactly.

By the Chairman:

Q. Which do you mean? Exhibit No. 2 or No. 3? A. We used formerly to do most of the works in bulk. This schedule of unit prices was introduced a few years ago.

Q. The schedule giving unit prices attached to a bulk tender? A. No, I mean the unit prices with bulk, Exhibit 3.

By Mr. Ducharme:

Q. Those No. 3 forms have been in use about how many years? A. I could not recollect exactly. Just about four or five, perhaps six years. I cannot tell exactly.

Q. Did you say that those specifications prepared by you were then printed? A. They were not prepared by me.

Q. You receive them? A. I receive them from the engineer, and I vertify them if they agree with the plan. I make all corrections in them, orthography, &c., and I send them over to the Chief Engineer's office, and they are transmitted from there to the stationery office in our Department, and from there to the Printing Bureau.

Q. What was it you burned every year? A. Old forms like this. The originals along with the revises. I have carloads of them. I have no room, I have to burn them sometimes.

By Mr. Lake:

Q. It is not the original specifications which are burned. A. About this, I never get any more news about dams. I expected that work had been done long ago.

By the Chairman:

Q. What you burned up was the actual copy for the specifications sent in by the engineer? A. Yes, with the revises besides that, and all other proofs.

Q. The corrected copy, as we call it in printer's terms? A. Oh, yes, the corrected copy.

Q. The copy supplied by the resident engineer, with your corrections marked on it? After that has been printed, and the printed form is ready then you destroy these other corrected specifications? A. Not then sir, about a year or so after.

Q. When you say the original specifications were burned up you mean those which the resident engineer had supplied, do you mean? A. Yes, sir, and the others also.

Q. What others? A. The revises of all these.

Q. You keep in your Department, and subsequently burn, what has been received from the resident engineer? A. Yes, sir, that is all.

Q. And what you send up to the printer is a copy made in your office? A. It is a copy from this original.

Q. The copy is made in your office? A. The copy.

Q. What you send to the printer is made somewhere? A. It is made at the printer's office.

Q. Then how do you get the specifications back again? A. I get a revise as shown as soon as they are printed.

Q. You get the revise back? What is it you burn? A. I burn these revises, all revises, with the original specifications received from the district engineer.

Q. You told us you send that original specification out? How do you get it back? A. I do not send the original out.

Q. I asked you, and you said you did? A. Perhaps I did not explain properly in the first place. There are two, they are made in duplicate. I keep one, and one is sent out.

Q. And the one that is sent out, what becomes of it? A. It goes to the printer, but I do not know what becomes of it afterwards.

Q. What you keep is the duplicate that has been supplied? A. A duplicate.

Q. And you destroy that later on? A. Later on.

By Mr. Ducharme:

Q. Are you in a position to say that this was a bulk contract? A. According to what I see in the form here it was bulk.

Q. And from the fact that in the printed form attached to this tender that white pine was not mentioned? A. No, I did not see that at all. Only the printed matter that was in them.

Q. As a matter of fact it was not put there in print? A. I do not know who put it there.

Q. As a matter of fact it was not printed in the form. It does not show that it was a part of the type. If it has been a unit price it would be mentioned? A. It was a bulk contract according to the specification.

By the Chairman:

Q. In connection with the tender for the wooden dam at Lake Timiskaming did you personally supply any information to any of the tenderers? A. No, sir.

Q. You are sure about that?. A. Yes, sir.

Q. To what official in that case would they apply for copies of the tender forms, and for the specifications? A. For tender forms some of them come in my office, and some go direct to the stationery office of our department.

Q. What is the regular place to supply it? A. There are only those two places. They are supposed to apply to the Secretary, but this is not done most of the time.

Q. They go for the tender forms either to your office or to the stationery office? A. Plans are exhibited in my office. I do not get the specification.

Q. The plans are exhibited in your office? A. Yes, sir.

Q. And the specifications are exhibited in your office? A. Yes, sir.

Q. If they wanted to know anything about quantities or materials to be used they would have to ask in your office for that information? A. They have to take that themselves. Take it all for themselves. We do not give any quantities.

By Mr. Lake.

Q. If the specification apparently is not quite clear in its nature? A. They might ask me any questions to make it clear, the way it is understood, but as far as supplying quantities or anything to the contractor that is not done.

By the Chairman:

Q. In the price list attached to the tenders for the wooden dam, there is item 22 'concrete 1, 3, 5 in foundation.' If a tenderer wished to know what quantity of concrete there would be in the work where would he find that indicated, or the materials upon which he could make up the quantity? A. He would have to measure that off the plans to scale it.

Q. To scale it off the plan, so that if there was to be any concrete in the work it would be shown on the plan. A. Yes.

Q. And would there be a reference in the specification to concrete? A. There would be generally, but I think there was no concrete shown on the plan for the wooden dam.

Q. Look through the old part of the specification which was used in the contract actually signed and see if you can find any reference to concrete? A. No, sir.

Q. I show you the plan for the wooden dam. Is there any concrete shown in that plan? A. Not that I see.

Q. And can you from your experience suggest where concrete would appear to be necessary to a contractor? A. I cannot see either by the plan or the specification where concrete would appear.

Q. Consequently he would either have to ask for information, or he would have to do without information. A. There is nothing in the specification or plan to indicate that.

Witness retired.

EDWARD PERRAULT sworn.

By the Chairman:

Q. You reside in Ottawa? A. Yes, sir.

Q. You are employed in the Public Works Department? A. I am.

Q. In what capacity? A. As engineer.

Q. In the Chief Engineer's office? A. On the Chief Engineer's staff.

Q. What are you named in the Civil Service list as? A. As Assistant Engineer.

Q. How long have you been in the public service? A. Since 1904.

Q. To what position were you appointed then? A. In charge of a section of the Georgian Bay Canal Survey.

Q. Prior to that where had you been employed? A. I was employed by the Ontario Government as Assistant Chief Engineer in the construction of the Timiskaming railway.

Q. Then in 1904 did you have an intimate connection with the Georgian Bay project? A. I had until the completion of the surveys.

Q. When? A. In 1904 I went right on with the work in charge of section No. 7.

Q. When were the surveys completed?. A. In 1907 practically.

Q. Amongst other things did you have anything to do with the inquiries and plans for the Lake Timiskaming dams? A. I had, I was instructed to report to Mr. George P. Brophy, Superintendent of the Ottawa River Improvements, in August, 1908. Mr. Brophy instructed me to prepare plans for a wooden dam on Lake Timiskaming which I did.

Q. And for the purpose of preparing these plans did you make surveys of the country? A. No, surveys had been made under Mr. Brophy previous to that, extensive surveys and the plans that Mr. Brophy furnished me showing soundings, showing the location of the dam were practically complete so practically what I had to do was to draw the dam.

Q. Then your work was office work? A. Practically.

Q. And it was done here in Ottawa? A. Yes, sir.

Q. From the data supplied by Mr. Brophy? A. From Mr. Brophy's data.

Q. Then is the plan which I now show you, your work? A. Yes, sir.

Q. That is a plan signed by Mr. Lafleur, the Chief Engineer but actually prepared under your supervision? A. Yes, sir.

Q. And with regard to the small drawing at the top showing the location of the proposed dam to the island, was that from data supplied to you? A. Yes, from data supplied to me.

Q. And the drawings of the islands and all that kind of thing were all taken from Mr. Brophy's plans? A. It was taken from the plan prepared under Mr. Brophy. It is on a smaller scale.

Q. Had Mr. Brophy prepared a plan of the dam showing the construction of the dam or simply a plan showing the location he proposed? A. There was a plan of Mr. Brophy's prepared under Mr. Brophy previous to that showing the location of the dam where this plan shows it and also I had made a report.

Q. And did that plan which we are now talking about also show as this does, the construction of the dam? A. Oh, no.

Q. It was only a plan of the location? A. Yes.

Q. There was also a report? A. Yes, to the Minister of Public Works by Mr. Brophy upon this survey for the proposed dam at Timiskaming.

Q. You were not responsible for the decision to locate the dam in that particular place? A. Well, in a certain sense, I was. I was instructed by Mr. Brophy to go and see the location and find out for myself if it was a suitable one. I did so, and reported to Mr. Brophy that I thought it was the best one there.

Q. Does the plan of that dam show any provision for concrete? A. No, sir.

Q. Have you anything to do with the specifications which were drawn up and accompanied the forms of tenders? A. I had.

Q. What had you to do with it? A. I made the various items included in the specification.

Q. You made up the specification, did you? A. Yes, I made up the specifications.

Q. I show you the first specification to the contract of July 22, 1909. Is that the specification to which you refer? A. I could not tell you unless by the date.

Q. This was the specification for the wooden dam? A. Well, that is the one I drew up, the specification for the wooden dam which was used at the time the tenders were given for the wooden dam was shown to the various tenderers.

Q. And did that specification call for any concrete? A. I think there was an item for——

Q. Is there anything in the specification about concrete? A. No, not that I remember.

Q. But in the form which tenderers were invited to sign, and which forms were for bulk sums, there was a schedule of prices for extra work? A. Yes, sir.

Q. And in that schedule item 22, is " Concrete, 1, 3, 5, in foundation." Would there be anything laid before these contractors to show them what quantity of concrete would be required? A. No, there was not.

Q. Can you tell me why Item 22 was put there? A. It was in case that in the foundation, though the figures given me on the plan showed the foundation is rock, when they came to build the foundation there might have been some fissures in the rock wherein the concrete would have to be used to fill these interstices and that is why that item was put in.

Q That formula, 1, 3, 5 is for a pure concrete? A. Yes.

Q. And such a concrete as you would be using just in foundation work in the way you described for filling up places? A. Yes, it is a very good concrete.

Q. But there are other mixtures of concrete? A. Yes.

Q. And in large works for piers, or possibly for a platform upon which piers were to be put, the mixture might be different? A. Yes.

Q. And might there be a more expensive mixture than 1, 3, 5? A. Not in large quantities. In large works such as you mention the proportions of rock would be larger there would be perhaps some large stones used as matrix.

Q. What they call commonly plums? A. Yes, but that 1, 3, 5 is considered very good.

Q. In the mixture of more rock of the kind you describe the price would be cheaper? A. The prices would be cheaper.

Q. In the form of tender used in connection with the wooden dam for a bulk sum, if any concrete were found to be necessary, as it did not appear either in the plan or specification, it would be an extra would it not? A. It would be.

Q. And presumably from the plans you have before you and from the data, it could only be necessary in small quantities? A. Yes, it would be in small quantities.

Q. No large amount of concrete work was comtemplated? A. No it was not.

Q. You remember the occasion when tenders were asked for the wooden dam at Timiskaming? A. I do.

Q. Was the plan kept in your office? A. No, it was sent to the Chief Engineer's office.

Q. Where was your office at the time? A. On Sparks St. here.

Q. Did the plan go back to your office from the Chief Engineer's office? A. It did not.

Q. Mr Rainboth states here today that he thinks he saw the plan and specifications in your office on Sparks St.? A. That is previous to the tenders, before the tenders were awarded.

Q. That is what I was talking about. I mean to say that when persons were contemplating making tenders and were looking for information, was the plan in your office? A. It was.

Q. And the specification also was in your office? A. No the original plan was in my office.

Q. What do you mean by the original plan? A. You have it, the plan made on paper. The plans were supposed to be seen at the Chief Engineer's office in the West Block. These plans were all sent to the Chief Engineer's office but notwithstanding that I had a copy in my office from which many tenderers could get information.

Q. The tenderers could get information either at your office or at the Department? A. Or in Toronto at the office of Mr. Sing, the District Engineer.

Q. If it were in the mind of any person at the West Block to change from wood to concrete, at that time, did you know anything about it? A. I did not.

Q. And therefore if tenderers could hear about such a possibility at all, it would be at the West Block they would get their information? A. I do not know where it would be, I know that as far as I was concerned, I did not know there was any such intention.

Q. And would you describe yourself as the Engineer in charge? A. Engineer in charge of those plans at that time.

Q. A person desiring to tender, and looking at item 22 of the schedule of prices, "Concrete 1, 3, 5 in foundation," how would he ascertain what was meant by that term? A. Oh, well, I think any tenderer on that class of work would know that concrete to a certain amount would have to be used, because in order to have a dry foundation.

Q. It would have to be used in the manner you have described? A. Yes.

Q. What you mean is that persons acquainted with the character of the work would understand from the words "in foundation" what was meant was the kind of work you have just spoken of in filling up interstices of one kind or another in the rock? A. Yes.

Q. And those words "in foundation" then would not mean that concrete was to be used in any large quantity in the building of the work? A. No.

Q. They would not understand that the foundation itself was to be a concrete foundation? A. No.

Those words "concrete 1, 3, 5 in foundation", would not cover for instance the platform upon which a dam is sometimes put? A. No, the plans do not show so.

Q. And certainly would not cover concrete piers? A. No.

Q. Would a quotation for concrete to be used in that way and in that limited quantity be ordinarily any fair measure or index of what a contractor would desire for a large concrete structure? A. No. That is, if it was intended to be a very large

quantity, a tenderer I should think would make his price a little lower. In this case I think that the tenderer might claim also that owing to the very limited quantity it would perhaps cost him much more to bring that small quantity of cement or having to excavate stone and getting sand, might also consider it entitled him to a higher price.

Q. A higher price for the smaller quantity? A. Yes.

Q. You may lay it down as a general rule that the smaller the quantity the higher the price? A. Yes.

Q. Taking unit prices, there cannot be any question that the unit price for a concrete dam would be smaller than the unit price for concrete in foundation? A. To my mind it would be lower.

Q. Because, in the first place, a large quantity of cement means generally a lower price per barrel? A. Yes, and of transportation, &c.

Q. Then again, a large quantity of cement means mechanical means in mixing, and all that sort of work. Later on you were asked by the Department to provide calculations of quantities for a concrete dam? A. I was.

Q. That was at the outset a concrete dam, concrete replacing wood in the same dam in the old location? A. Yes, sir.

Q. And how did you arrive at the quantities in such a case as that? A. You take that old plan of a dam of wood and you start to calculate quantities of concr te in that structure. How would you do that? A. Well, I calculated, if my memory serves me right, the replacing of the various piers, wooden piers, by concrete piers, and calculated to change in sizes, &c., owing to the fact of concrete being the material to be used, the quantity that would be required and also replacing this wooden part in the foundation by concrete.

Q. That means that you had to lay down for yourself the number of piers which would be necessary in case a concrete dam was designed? A. It was.

Q. Would that number of piers be the same as the wooden piers? A. If I remember right, no, sir.

Q. Then again, the size of the concrete piers would be very different from wooden, would it not? A. Very much different.

Q. And you had to lay that down for yourself? A. Yes, sir.

Q. What you had practically to do was this: You said, if I were putting a concrete dam there, in place of wood, what height and width and breadth of concrete would I require, and how much concrete would I put into the foundation—and so you arrived at the quantity? A. Yes, sir.

Q. And all that, therefore, would be just a matter of calculation by yourself? A. Yes, sir.

Q. There was no plan to show it at that time or anything of that sort? A. No, sir.

Q. Having arrived at the quantities in that way you proceeded to calculate what the cost of a concrete dam would be at the prices per yard of concrete, which had been given in the original tenders for a wooden dam, and this document dated January 14, 1909, showing that the dam, if constructed of concrete, would cost $108,582, was your calculation, arrived at in the manner described, applying to the quantities the prices given by Messrs. Kirby & Stewart? A. Yes.

By Mr. Ducharme.

Q. Did you know of the change of location of the dam? A. I understand there has been a change, I have not seen it.

Q. You are not sufficiently familiar with the surroundings of the place there, to give from memory an opinion on the propriety of the change? A. I could not tell you because I do not know where the change has been.

Q. Only when you went there yourself you thought the best place would be— A. As shown on the plans submitted by me.

Q. On account of being above the rapids, I suppose? A. Yes.

Q. And in still water? You made a calculation of the cost of this dam and reported it on January 14, 1909 at $108,550? A. Yes, sir.

Q. At whose request did you make that? A. The Chief Engineer's.

Q. The Chief Engineer asked you to make this calculation? A. Yes.

Q. You made this calculation another time? Do you remember when? A. I do not remember that. The previous calculations were for a wooden dam, those are the calculations for $78,000 and some odd.

Q. You never had anything to do with the $176,000 valuation? A. No, not from the time I think it was in March of 1909 I was relieved of anything connected with the dam at Timiskaming.

Q. Is this your valuation of the cost of the dam made on November 20, 1908? A. Yes, that is for the wooden dam.

Q. You made this on November 20? A. Yes.

Q. The tenders were called for on October 20? How did they ask for tenders and asked for a deposit of $8,000 which is supposed to represent 10 per cent on the contract, how could they fix that amount when you had not yet made the valuation? A. I had made that valuation.

Q. When?. A. Previously. This is the date I furnished the Chief Engineer with details.

Q. There had been another valuation? A. This is the valuation which had been made and which I had in my office.

Q. You only forwarded it on October 20? A. Yes.

Q. In your estimate what did you include for concrete? A. I forget now, unless I look it up. I do not see any item about it there. As I said here, it was only calculated as an extra. If any concrete was used it would be an extra.

Q. On account of the formation? A. Yes.

Q. Outside of that, you had no connection whatever with the giving out of this contract? A. No, sir.

Q. Or with the construction of the dam? A. No, sir.

Witness retired.

The Commission took recess.

EDWARD RAINBOTH, sworn.

Examined by the Chairman:

Q. You are a Civil Engineer A. Yes, sir.

Q. Residing in Ottawa? A. Yes, sir.

Q. In November, 1908, you were a tenderer for the wooden dam at Lake Timiskaming? A. Yes, sir.

Q. I show you the official file. Is that your tender? A. Yes, that is it.

Q. Dated 19th November, 1908? A. Yes, sir.

Q. For a total sum of $115,609? A. Yes.

Q. Where did you get that form of tender? A. In the Department.

Q. Did you apply for it yourself? A. Yes, in person.

Q. Do you remember at what office you got the form? A. I am not very sure. I remember calling at Mr. Perrault's office on Sparks St. I think the plans were there to be examined and it seems to me I got the forms up at the Department in the West Block.

Q. Would you know Mr. Robillard who went out just now? A. Yes, I just met him.

Q. Does that remind you whether you got it from him in his office? A. No, it does not.

Q. Then the stationery office, I am told, is the only other place? A. Is there not a man named Mr. Coleman, in charge of these things there?

Q. Yes. A. Whether on that occasion or on some other occasions I have got some forms from him. They have sent me over from the draughting room with a message to his office.

Q. Then you saw the plan at Mr. Perrault's office, you got the form from Mr. Coleman and where would you see the specifications? A. I would say with the plan.

By Mr. Lake:

Q. This is all to the best of your recollection? A. Yes, because I do not remember ever seeing plans without specifications.

By the Chairman:

Q. Would you look at the tender please. That was for a bulk sum, was it not? A. Bulk sum, yes, with unit prices.

Q. What are those unit prices applicable to? A. To all material in place.

Q. You would not be paid on the unit prices, would you, you would be paid a bulk sum? A. I understand from this tender it was a bulk sum. You were to take out your own quantities and make out your prices on these quantities so that if you were out on your quantities you would be out on your bulk sum.

Q. Quantities would be merely a guide for you to know how to make up your bulk sum? A. Yes, but still the bulk sum was the important thing.

Q. But the quantities would be supplied to you? A. No sir, the quantities were not supplied. I had to take out my own quantities from the plans. I rather baulked at that because I thought they ought to furnish up the quantities because it means an awful lot of work to take out the quantities in that way.

Q. But in that form of tender it would not make any difference in the final result whether you had worked out the right quantities or the wrong quantities? A. Yes, sir, I think it would.

Q. How is it? A. Because it was up to me to take out those quantities properly and accurately.

Q. But the final result would be that you would get the total amount you applied for? A. Yes, but supposing that those quantities were too small I would be out the difference.

Q. The final result would be different to you but not to the Government would it? A. Well no, not different from the bulk sum.

Q. The Government would still pay the same amount? A. Yes.

Q. And if a mistake had been made, you would be the loser? A. Yes, unless there was some change in the work, some extras put in.

By Mr. Lake:

Q. If extras were put in you would be paid on unit prices? A. Yes.

Q. Was that the only reason to put in unit prices? A. Oh no, I was obliged to put in unit prices, the specifications called for unit prices and there is a column for them. That tender had to be properly filled in or it would likely be rejected.

By the Chairman:

Q. The schedule called for them but if you look at the tender itself it says: "I also offer to execute any extra work and to furnish all labour, &c., at the prices given in the schedule." A. Yes.

Q. So the purpose of putting that schedule in this tender besides putting a bulk sum in would be so that the Department would have a unit price upon which they would pay you if there was any extra? A. Just so.

Q. I notice this item 22, "Concrete 1, 3, 5 in foundation." We have been told by the last witness and others, that the plan shows no concrete? A. No concrete.

Q. And the specification makes no mention of concrete? A. I think so. No, it may be all done in that, but I remember it called for concrete and as I understood it might be required in foundation, and therefore it was an unknown quantity and I estimated that there might be probably that quantity required in that part of the work, 200 yards.

Q. And youput down $10 for that 200 yards? A. A yard, yes, and of course I understood that if there would be say a thousand yards required, I would be paid for the full amount put in. It was different from some of the other items. I considered, because there was your plan to take out the quantities, timber and rock, but this would be an unknown quantity which the Department would pay for according to the amount that would be put in the work.

Q. Here, in the first place you undertake to build a wooden dam on the plan and specification provided which show no concrete. You do that for a bulk sum? You have attached to it a schedule of prices to be used for extra work and in it you have this item 22 "Concrete 1, 3, 5 in foundation." You contend that under these circumstances, if there were any concrete whatever, from one yard up, you would receive $10 a yard for it if the contract was awarded to you? A. Yes.

Q. So that in that respect your contract would be double-barrelled, first for a lump sum for the things shown and second for unit prices for the things not shown, which were extras. Is that your idea of it? A. Well, the only thing not shown that there was a possibility of being used in connection with the work was a small quantity of concrete as I considered it in the foundation.

Q. And you say there was positively no information whatever supplied you from which you could form any judgment as to the quantity of concrete that might be used? A. Positively none.

By Mr. Lake:

Q. Neither in the printed specifications nor verbally? A. No. In fact there was no concrete shown on the plan, and the plan was the only basis for any of the quantities.

By the Chairman:

Q. Did that item not naturally suggest to you, being an Engineer as you were, the question: What do they mean by putting concrete here? A. I understood that there might be some concrete. If you will notice on the plan they show rock, on that island at the centre portion of the dam and then they come to boulders and gravel. I considered they might strike a split in this foundation that they would require to put in concrete, perhaps do some piling and then put in concrete on top of that.

Q. Was anything said to you about building a concrete dam? A. No, not a thing, never any hinting at it at all.

Q. And if you had been told that you were being asked for a price for concrete as an alternative to the building of a concrete dam altogether, instead of a wooden dam would that have affected your price? A. For the concrete?

Q. Yes? A. Certainly.

Q. If you had information that they were going to build, as they really did later on, two large concrete dams, one across each stream, very heavy works, would it have affected the amount of your tender per cubic yard for concrete? A. Yes, certainly because I looked on that item of concrete in the tender as of very little importance, there was such a small quantity that would be required and I did not enter into the actual cost very accurately because I considered it such a small item.

Q. You did not consider what it would cost you to put cement up there or to obtain mixing machines? A. No, for instance, I did not get prices on cement in quantities.

Q. Nor of machinery? A. Nor of machinery.

Q. And a thousand and one considerations that will enter into the building of a concrete dam? A. Yes.

Q. Then I take it, that if you had been asked to build a concrete dam as far as the rate per yard was concerned, it would have been much less than $10? A. Much less.

Q. I want to call attention to another item. Take item 23, unwatering, $15,000. That of course would be a part of your bulk sum? A. Yes.

Q. And that could not vary no matter how much the unwatering cost it would not affect the total amount to be paid to you in any way? A. No.

Q. Did you make a calculation about the unwatering that would be required in order to arrive at that sum? A. Certainly.

Q. What was your thought of what would be needed for unwatering for that wooden dam? A. Situated the way it was at the head of the rapid there, with islands dividing it in two, I considered it would be more advantageous to work each channel separately to dam off one channel while you were working in that channel and let the river flow run through the other channel, and of course it would be only a temporary dam you would put in there to close off the flow into each channel while you were working in it. I considered it was the only item in the list of prices there that was an unknown quantity. I did not consider the concrete question important at all, but I did the unwatering and I thought it was the only factor in the whole scheme that was really an unknown thing to deal with. One might make an estimate for ten times that amount and still not be wrong, because it depended so much on the stage of the river. It varies from year to year. I understood they did do the work they were favoured the first season with very low water and, of course that means everything in the unwatering.

Q. Before putting in the tender, you, of course, visited the scene of the proposed dam? A. Oh yes, I know the locality very well. I pass there frequently. In fact I made surveys up to that country years ago.

Q. It has been suggested here that a wooden dam could have been built at the original without any coffer damming whatever, by floating out the piers for the foundations and sinking them on the site? A. Yes, that might have been possible.

Q. Did that strike you as possible? A. Yes, it did.

Q. In that case the unwatering would have amounted to nothing, would it? A. Not very much, in fact almost nothing. If you did not have to put in a coffer dam there was no unwatering.

Q. Apparently you, in putting in your figurers, rejected that idea? A. Yes, I did, because they called for unwatering, do you see, and I did not think they would be satisfied to allow the contractor to put in his piers unless he did unwater, because I thought they meant by that that they would require to see it unwatered and examine it themselves before allowing a pier to go in.

Q. Would it have been good engineering from a departmental standpoint to have allowed a wooden dam to be built by floating out and sinking the piers without unwatering and examining the bottom of that place? A. No, I do not think it would have been.

Q. It would not have been safe to do that? A. I do not think so.

Q. It was a great big lake with a tremendous head of water held back. As it turns out it has been almost unmanageable. You have heard since they had great difficulty on the Quebec channel with the coffer dam? A. I heard that they changed the site of the dam and instead of putting it at the head of the rapids located it part way down.

Q. On the Ontario side at one point, it is a good deal further down than on the Quebec side, but on the Quebec side the site of the present dam is not much farther down the stream than the site intended for the wooden dam. You have heard that

the coffer dam on the Quebec side went out with the flood? A. Yes, with the spring flood.

Q. Bearing that in mind and all the surrounding circumstances as known to you, you say it would not have been good engineering from the departmental standpoint, to have allowed a wooden dam to be sunk without a previous examination of the bottom and unwatering? A. Just so.

Q. And with that impression do you consider that that provision in the specification for unwatering meant that they would require unwatering? A. Yes.

Q. One of the tenderers put in the sum of $4,000 in the tender for the unwatering. If unwatering were required by the Department as you understood, could $4,000 under any circumstances be sufficient? A. Oh yes, it is possible it might be.

Q. In what way? A. Well it depends altogether on the stage of the water. In a very favourable season, that is with extreme low water, it might have been possible to do it for $4,000.

Q. Do you think that stream from side to side on both sides could have been unwatered in any season so as to have allowed a proper examination of the bottom by the Department for the sum of $4,000? A. I would not undertake it. I would not undertake it for less than the price I put in.

Q. That was your sane judgment of what it would require then? A. Yes.

Q. And from what has occurred since, you probably were fortunate in escaping at that price? A. Of course I do not know how they handled it.

Q. Assuming that they handled it right, the amount even on your offer was very small? A. I considered it was a fair price at the time for the material and labour and locality.

Q. You say that everything in a coffer dam would depend upon the handling of it? A. I mean the whole work. I was not speaking of the coffer dam, because I understood from what I saw—

Q. After putting in that tender you received your security cheque back? A. Yes.

Q. Were you ever after asked to tender in connection with the work? A. No, I thought it was a very unfair thing to do with the bona fide tenderers to change the whole plan of the work after calling for tenders, and having the deposit put up with the tenders and then changing it to a different class of work entirely. I consider that they should have called for new tenders at the time.

Q. If they had called for new tenders on the concrete work would you have tendered? A. Yes.

Q. Then you never got any intimation from the Department here from that time forth that they were going to change the work? A. No.

Q. Either change the location or change from wood to concrete or anything else? A. No, I got no information whatever.

Q. Did you ever get any intimation from anybody in any way that the tenders would be decided on ultimately and given out on the basis of the unit prices you were quoting? A. No, I never got any intimation whatever?

Q. As a matter of fact we have it in evidence before us that after accepting the lowest tender for the wooden dam and the Department deciding to change to a concrete dam, a calculation was made as to what the concrete dam would cost at the location originally decided for the wooden dam and upon quantities worked out in this way, changing from wood to concrete and calculating at the price named in the tenders for extra work, and upon the result of that calculation of concrete quantities and extra prices, it was decided to award a contract to Kirby & Stewart. Having stated those facts I want to ask you this question. Having regard to the reasons you have given for naming concrete and to all the surrounding circumstances under which you put in that tender, was that a fair measure of calculation to arrive at the cost of this concrete dam? A. Do I understand that the Department adopted the Stewart & Kirby prices given in their tender?

Q. Yes? A. And adopted their own quantities?

Q. And their own quantities, and thus they compared the Kirby & Stewart prices for concrete with the prices given by the other tenderers for concrete? A. No, I do not think it was a fair way at all of dealing with the price.

Q. Will you explain why? A. For instance, I have no idea what Kirby & Stewart's price for concrete was but they might be the lowest tenderer on that particular item of concrete and still have a price that was much too large for such a large quantity of concrete required.

Q. And would you say generally it is unfair for this reason that if you or any other contractor had known that a very large quantity of concrete was going to be used the prices quoted by each tenderer would be very much lower than they actually were for the small quantity? A. Certainly. There is another item I might mention in connection with concrete. It depends on the size and the bulk that you are putting in. Say the size of one pier for instance? You are allowed, where it is of any size at all, to float in stones in that work. They are called plums in the pudding, that is placing them properly so that they are a certain distance away from the outer edge of the wall and from each other. That is much cheaper than putting in cement, the amount of stone you are allowed to fill in in that way reduces the price, and in calling for prices there for concrete in foundation, they simply mean concrete, not any of this stone filling I spoke of.

Q. What you mean is that a price for concrete in foundation is a very different thing from a price for concrete work in piers? A. Certainly.

Q. Which may be changed very much in material and manner of building? A. Yes.

Q. Because there your entire construction is concrete and in the other case it is just a small quantity required to make foundation.

Q. There is another element that entered into it later on. The next change the Department made after deciding to build all of concrete, and making the calculation I have just mentioned, was this, that their engineers after examining the site changed the location entirely, especially on the Ontario side and that change of location involved amongst other things, a very large amount of excavation, so that in the ulimate cost of the contract the question of the price given for excavation was a very material factor? A. Yes.

Q. In the provision for the wooden dam, would excavation have been a serious matter? I mean as to quantity and having regard to its location? A. No, it was a small consideration, excavation, in that tender.

Q. As the location of the Ontario side of the dam was moved down the stream, the water shoaled very much so that in an ordinary season the Ontario side was dry at the place where the concrete dam was put. That involved a very large amount of excavation not originally thought of. Now in the building of a concrete dam in the new location, the prices quoted for excavation in the original tenders for a wooden dam, might be very materially affected, might they not? A. There were three excavations in the tenders here mentioned, common, rock and boulder.

Q. What have you given for the common, say? A. A unit price $1.50 per yard.

Q. And the next? A. $3.50 per yard.

Q. And the next? A. Boulder, $2.50 per yard.

Q. How would those prices have been affected in your mind in view of the change of location I have mentioned and especially of the fact that at low water a large portion of the work would be dry? A. It would certainly make a great difference.

Q. In what way? A. It would be more cheaply done.

Q. It would be more cheaply done? A. Yes, that is where it is dry.

Q. And the question of price would depend entirely upon how much of it was probably going to be dry, and how much would be under water and how deep the water would be, would it not? A. Well I did not consider that any of that excavation

would have been under water at those prices, but still it might be wet without being under water. That is you would be bothered with water flowing in that you would have to take care of or your men would have to work in the wet, which many of them object to.

Q. You do not consider that the excavation really done on the Ontario side at the new site would be under water? A. No.

Q. The excavation that you provided for in your tender on the wooden dam, where would that have been? A. That would be anywhere where the site of the dam was fixed.

Q. Some of it would be wet? A. Well wet, but not under water. I consider that it would all have been more or less wet but still not under water because you are supposed to unwater.

Q. Your coffer dam would be under water? A. If it was not absolutely tight, which in this case was not necessary, unless we put in concrete, for instance you would be bothered with some leakage and your work would be actually done in the wet although not under water.

Q. In regard to the change of site, and the greatly increased quantity of excavation, if you had been called upon to tender for that in the site ultimately chosen would your prices have been more? A. Yes.

By Mr. Ducharme:

Q. If in the result your calculations regarding the wooden dam had turned out to be mistaken would it have affected the total amount which the Government would be bound to pay you? A. No.

Q. Do you know the locality enough to speak of the location of the dam? A. In what way?

Q. Whether the second location would be less costly than the first location? A. Well, I would not like to give any opinion about that unless I made a special examination. I consider myself that the first location of that dam was preferable to the second.

Q. Can you say why? A. Well, in my experience I have never before seen a dam built below the head of a rapid, and I would have to know some very special reasons for putting it below the head of a rapid before I should advocate that idea.

Q. The first dam would have been built in still water? A. Comparatively, yes.

Q. I see on your tender there, the words, "White Pine," in writing. Was that put there by you? A. Oh, no, that was in already.

Q. When you received the form, the words in writing on the schedules of prices, attached to the tender, for the wooden dam, were already on the form? A. That in the first three columns.

Q. Were they written by you? A. They were not written by me, but were in when the form was supplied to me. There are two items there of white pine.

Q. The quantities of those would be shown in the plans and specifications, would they? A. Yes, that is we had to take out our own quantities.

Q. But the basis for the quantities——? A. Yes, the basis.

Witness retired.

AFTERNOON SITTING.

E. E. PERRAULT, recalled, and examination continued.

By the Chairman:

Q. You have been speaking about that estimate that you made early in 1909 for the cost of a concrete dam to be placed where the wooden dam was projected. Later on you know that the location of the dam was considerably changed, and when they

came to building the dam they put the Ontario end of it much further down the stream. You know that? A. Officially, I do not.

Q. Officially not? A. No.

Q. What do you mean by that? A. All I know is that I have been told there was such a change.

Q. You had nothing to do with making the change? A. No.

Q. Did you ever afterwards make up an estimate of the cost of that changed dam? A. I have not.

Q. Did you ever have anything whatever to do with the matter after the time when you made up the estimate of which we were talking a moment or two ago? A. No, sir.

Q. That was your last official act in connection with it? A. Yes.

Q. There had been a Mr. Matheson employed in or about the Public Works who afterwards went away to British Columbia? A. There was.

Q. Did he collaborate with you in any parts of your work of preparing those plans? A. He did not.

Q. And you never had anything to do with him in that connection? A. No, sir.

Q. You never did have anything to do with the actual working of the dam? A.I had not.

Q. And what you have said here to-day, does not describe your official connection with the matter? A. A. It does, with the exception that previous to calling for tenders, the Assistant Deputy Minister suggested that instead of a bulk sum being asked, that unit prices should be asked, and it was with that view that I sent the list of items at the same time as the plans and specifications to the Chief Engineer's Department, and I was under the impression that tenders were going to be called for on unit prices. When that was not done, the calling of tenders, I went to Mr. Robillard, the gentleman in charge of the drafting department and who had charge, I understand of the printing of the specifications and so on, and I at once drew his attention to it, and he told me it had been done as all other contracts were done. I at once reported to the Assistant Deputy Minister, Mr. St. Laurent who told me then it was too far gone, and to let it go at that.

Q. Well now you had had three or four years experience of the Public Works Department at that time? A. I had.

Q. And I suppose you had sent in plans and specifications which had been subject to tender before that? A. No.

Q. You had not? A. I had not.

Q. You were not familiar with the method? A. Well, I cannot say I was not familiar with it.

Q. Mr. Robillard has said to-day that there are three kinds of tenders which are issued in the Department. One is for a bulk sum pure and simple, the second is for a bulk sum but has attached to it a schedule of prices, which by the very words of the tender are made applicable for extra work, and the third is a unit price pure and simple, and in that third it is necessary to supply the quantities, put them in the printed form of tenders, so that the tenderers may know the quantities to which they are attaching those prices. Now were you aware that there were three forms of tender issued? A. I was not.

Q. Did you say anything in writing or verbally to indicate which form of tender was to be used? A. It was just verbally.

Q. Did you say to anybody—? A. I said to Mr. Robillard.

Q. And you sent these specifications? A. And plans, and told him what the Assistant Deputy Minister had suggested, that unit prices should be called for.

Q. Did you make him understand that a bulk sum was to be called for? A. I did not.

Q. Because you see he could get unit prices on the second form of tender, that is, unit prices with the bulk sum? A. I did not.

Q. Now in your specification, and in your plan nothing was said about concrete? A. It did not.

Q. Did you suggest yourself that anything should be put in the tender with reference to concrete? A. I did not expect putting that item of concrete in the schedule asking for a price for concrete.

Q. Did you prepare a schedule? A. I did.

Q. You prepared a schedule? A. Yes, I did.

Q. Calling for prices? A. For prices.

Q. Was the schedule that you provided the model upon which that part of the tender is signed 1908, did you provide a copy on which that schedule of prices was framed? A. Yes, sir.

Q. On which that schedule calling for prices was framed? A. Yes.

Q. There were 23 items in it? A. Yes.

Q. Two items of white pine appear to have been omitted and subsequently provided in ink? A. That is not my writing.

Q. The writing is not yours, but you think you gave a copy for the 23 items? A. Yes.

Q. If you were going to ask unit prices for a work such as this, would it not be according to practice to provide a statement of the quantities to which those unit prices were attached? A. Yes, I suppose it would be the practice to do so.

Q. Did you supply a statement of the quantities? A. I did not.

Q. You did not at that time, consequently if Mr. Robillard had desired to ask for the unit price tender he would not have it before him to show the tenderers what quantities there were? A. Until he could work out the quantities from the details which I had supplied to the Chief Engineer.

Q. In any case you had not worked out the quantities? A. I had not.

Q. If Mr. Robillard were to swear that you had not given him any instructions to get unit prices, is your recollection of the matter clear enough to contradict it? A. Oh yes, my recollection is distinct as to having told him what the Assistant Deputy Minister had also said to me.

Q. Now, can you tell me whether it is a customary thing on work such as the wooden dam as then contemplated, whether it is customary to get such a work as that by unit prices or by bulk sum? A. To my knowledge it is a bulk sum, the usual way.

Q. Had you prepared your material for a bulk sum before St. Laurent spoke to you about it? A. I had.

Q. Then his mention of unit prices was a subsequent thing? A. It was just previous to the calling of tenders by the Department.

Q. Now, can you say that he wanted to get unit prices? A. My recollection of my conversation with the Assistant Deputy Minister is that he would like unit prices on that work owing to the uncertainty of our knowledge of the foundation.

Q. Did he make any mention of his thought which he tells us he had for a long time in his mind that such a structure ought to be made of concrete and not of wood? A. No, he did not at that time.

Q. Did he ever discuss the advisability of making it of concrete? A. Afterwards.

Q. But not at that time? A. Not at that time.

Q. He did not tell you he had had in his mind to change to concrete and that it would be desirable to have the prices? A. Not at that time, not previous to our calling for tenders for the wooden dam.

Q. Well, as far as you were concerned then in putting that item of concrete, you had in mind only the very restricted use which you have described here to-day? A. Yes.

Q. And so far as Mr. St. Laurent's conversation with you is concerned, did you gather that he had only that same restricted use in his mind? A. My idea was that he wanted unit prices upon every item for the construction of the dam.

Q. Yes, but I am asking for the cause. You say it was because he thought that in view of the uncertain bottom and so forth some concrete might be needed? A. Yes.

Q. And I am asking you whether, judging by his conversation and his instructions to you at that time, you think he had a restricted and narrow use for concrete in his mind? A. Well, I cannot say that it was the conclusion I drew from his conversation. It was more that the cost might be more or less than what I had estimated it.

Q. It might be uncertain? A. Yes, uncertain.

Q. That is to say, not that the cost might be more or less, but that the quantities— A. If the foundations were to be more than what we thought they were going to be then there would be unit prices—it could be covered up by calling it an extra. If they were paid according to unit prices then the whole would appear as part of the actual tender and not be called an extra.

Q. Well, that possibility of variation arose from what cause? A. From the foundation.

Q. From the foundation being uncertain? A. Yes.

Q. In other words, you did not have before you at that time sufficient data to make you quite sure what kind of foundation you were going to get? A. Well, all I had before me was the result of the survey made under Mr. Brophy. As I told you this morning I had plans showing the soundings and the proposed formation of the bottom of the river, and upon that I made the plans for the wooden dam.

Q. But what I want to get at is not so much what you had, but what you ought to have had? A. It appears as if I had everything.

Q. Yes, then what was in the mind of St. Laurent that made him feel there was an uncertainty about the bulk tender? A. Well, it is always a work under water, something you did not see. You can never be really certain.

Q. No, but you can reduce it by careful investigation to something like certainty? A. Which is what we did, that is as far as they knew. Careful investigation had been made of the bottom.

Q. Had you made any borings? A. There had been soundings.

Q. But no borings? A. No.

Q. Are borings generally resorted to for important work? A. For a concrete dam it would be absolutely necessary.

Q. Take the case of a wooden dam across the Quebec channel especially, has not the result shown that borings ought to have been taken? A. The result shows that, as far as I am told.

Q. It has been swept away as a matter of fact by the sweeping out of the sand beneath the coffer dam? A. I understand another location from this one was proposed.

Q. A little further down. Might that change of location make a difference? A. It might.

Q. In what way? A. The wooden dam on the Quebec side was in clearer water than the concrete dam now is because the concrete dam would be in the rapids.

Q. And that might make the bottom a very different thing? A. I do not know.

Q. You are just making a suggestion? A. It might be.

Q. In any case, in undertaking a structure across a big lake like Timiskaming, should not the bottom be very carefully studied? A. It should be.

Q. I drew your attention to the plan of the wooden approach prepared by you and especially to a dotted line at the island end on the Ontario side, what does that dotted line mean? A. That the foundation, that is the excavation is likely to come

to that line. These are where the soundings, or you may call them borings, are because it was to the depth of this dotted line that I had instructions and data.

Q. Well, on the Ontario end of the Ontario side, I mean to say the island end, there is a similar dotted line? A. Yes.

Q. That indicates that the bottom there was uncertain? A. Uncertain.

Q. Now, Mr. St. Laurent has told us I think that one reason which later led him to change his mind in favour of concrete was that he noticed for the first time this dotted line on the plan as indicating that the bottom was uncertain, and he concluded from that that further examination would have to be made, and that possibly concrete should be used. In view of that evidence given by him do you still feel that at the time of the preparation of that plan there was sufficient data to warrant the plan of the dam being made and the contract being given? A. For a wooden dam?

Q. Yes, for a wooden dam. Now, will you tell me what difference there would be in the nature of data for a concrete dam as against a wooden dam if both were to in the same location? A. Well, in concrete construction you have to be far more careful as to the foundation to prevent any leakage of water. Practically you have to do the work in a dry place.

Q. Is that because it affects the concrete or what? A. Well, no, as soon as it does that it washes the concrete away.

Q. Before it hardens underneath? A. Yes.

Q. Would not there be the same danger of scouring under a wooden dam as under a concrete dam both in the same place? A. I should think there would be.

Q. Wasn't there a danger of scouring under the wooden dam as you planned it? A. I do not think so.

Q. But looking at it now, and particularly looking at the fact that you have at both ends of the Ontario side marked the bottom as uncertain, wasn't there a danger of scouring there? A. I didn't think so at the time.

Q. But suppose you had intended to put a concrete dam in that same place, it would then become necessary? A. For my personal satisfaction I would have had borings done.

Q. As an engineer, if you were going to put that concrete in that dam, in that circumstance you would have put borings there? A. Yes.

Q. And in any case, from what you have marked in this plan about the bottom there, if you were putting a concrete structure, it would be necessary to go considerably deeper than for a wooden structure? A. Yes.

Q. That would increase the concrete? A. Yes.

Q. Did you take that into consideration in making out your calculations? A. I think I did.

Q. I would like you to charge your memory? A. I have not gone over these figures, but my recollection of it is that I did.

Q. Your recollection is that in your calculation you considered you would have to go deeper down. Now, with regard to location you went you told us, too late to Timiskaming, and you saw the location that had been planned there? A. Yes.

Q. Did you approve of the location in which the old wooden dam was to be placed? A. Yes.

Q. It struck you as the right place to put it? A. In my opinion.

Q. It was practically at the head of the island, and above the rapids? A. Above the rapids.

Q. In still water, as still as a lake could be—the currents do not commence to get rapid? A. It just begins immediately below.

Q. Therefore it was in what you would call still water, as still as a lake is anywhere? A. Yes.

Q. On the Quebec side where the dam now is you say the rapids had already commenced? A. Yes.

Q. And on the Ontario side where the dam now is, in high water there would be a great rush of water? A. In high water there might be.

Q. But the Ontario side is dry in low water? A. The Ontario side is dry at low water.

Q. The Ontario side, as it was dry at low water, it has been excavated. Now where and what was the coffer damming which you intended to provide for under the word "unwatering," page 25, in the specification prepared by you? A. At the Ontario side at low water at the time, there was a very simple thing, there was practically no water, and the coffer damming would have been almost a minimum, that is in cost.

Q. That would be at dead low water? A. At dead low water. On the Quebec side, which is the deeper side, I intended to put a coffer dam from the island straight across.

Q. Straight across? A. Yes.

Q. That would be in about what depth of water? A. About six feet of water.

Q. At that spot? A. Yes.

Q. That is at low water? A. Yes.

Q. But the years when you have low water, and the length of time in each year when you have low water are uncertain things, aren't they? A. Very uncertain.

Q. And in order to have the minimum of coffer damming you would have to watch for a very favourable year and a very favourable season in the year? A. Yes, sir.

Q. That would come about what time of the year? A. In August.

Q. And September? A. Yes.

Q. Until the rains begin? A. Yes.

Q. Low water would not last, I suppose more than a few weeks at any season? A. Not much more.

Q. And there might be some seasons when you would not have it low enough for those periods? A. Yes.

Q. Certainly when the water rises, for that kind of coffer damming you speak of, even on the Ontario side, it would not be sufficient, would it? A. The Ontario side?

Q. Yes, high water? A. I think it could have been built with a little water to go over.

Q. You think the coffer dam might have been made, in other words work would be suspended? A. But the coffer dam would still remain there for the propitious time that the water would allow.

Q. If you had had a wooden dam built, and it was not quite finished, and the water ran over your coffer dam, it would not hurt it, would it? A. No.

Q. That would not apply if you were doing concrete work there, would it? A. No, because the coffer dam would do a great deal of damage to the concrete.

Q. So that coffer damming, or unwatering—the two mean the same thing, don't they—? A. Yes.

Q. For a concrete structure might be a different thing than coffer damming for the wooden dam that you contemplated? A. I think so.

Q. Now it has been suggested here by some persons that coffer damming, certainly on the Ontario side, might not have been necessary at all but that they might have flooded out the foundations, the cribs of wood, and sunk them and then built on the top of them. Did you contemplate allowing that at the time? A. I knew of it but I did not——

Q. You did not contemplate it? A. No.

Q. If you were an engineer in charge of work of that kind would you permit it? A. I would, certainly, if the occasion, that is if it could be done properly.

Q. Now, Mr. Rainboth, civil engineer and contractor, stated here this morning that such a method of building would in his opinion be highly improper, and he does not see why the Department should permit it, for this reason, that it would be impos-

sible at the place where the wooden dam was to go, with a certain amount of water there, to discover the nature of the bottom sufficiently well to justify putting cribs on it in that way. He says it ought to have been unwatered and examined and excavated enough to allow the cribs to go there? A. Well, I differ in this way, that the cribs might have been sunk in their proper place, then after they had been placed in their location, if any leakage occurred there it would be up to the contractor to make it good.

Q. You think then you would venture to allow a contractor to sink his cribs and the Department will run the risk. Leakage would occur before the contractor could be paid and get away? A. No, I do not think so.

Q. Might not the dam seem to be all right after it was finished, and develop a leakage later on by scouring underneath? A. Yes, it might take six months or a year or two. It might do that even if you put in a coffer dam, as for the time being you think it is all right.

Q. It might in any case? A. Yes.

Q. And for that reason you want to reduce the risks of it to a minimum, don't you? A. The engineer always does that.

Q. You would not be reducing it to a minimum if you allowed a contractor to take out his cribs and sink them without coffer damming or unwatering? A. The engineer would not allow it if in his mind he thought there would be such a thing.

Q. Take it in ordinary circumstances, in ordinary circumstances such as existed at that time, do you think it would have been safe practice to have allowed them to sink the wooden piers without unwatering on that side? A. As I told you a few moments ago, I did not contemplate—

Q. Such a practice? A. Such a practice.

Q. You intended to have it coffer dammed? A. Yes.

Q. And on the Quebec side where the water was deeper, a coffer dam was essential, wasn't it? A. Yes.

Q. Nobody would think of taking up the piers and sinking them? A. No. At the Quebec side you did not see the bottom at all whilst on the Ontario side a part of the dam could be seen.

Q. Putting a concrete structure where the old dam was to be put, outside of the difference between concrete and wood was a very different proposition altogether, wasn't it? A. It was.

Q. Because with regard to concrete there were a great many considerations that you would have to think over that would not apply to wood at all? A. Yes sir.

Q. Particularly those important things about the foundation of the river? A. Yes.

Q. And the character of the bottom and all that, and unwatering and so on, all these are very serious and important considerations in regard to concrete over and above wood? A. Yes, sir.

Q. Of course when it was decided to change the whole location of the dam, and bring the Ontario side away down, and bring the Quebec side into the rapids, the magnitude of that was very much greater than the old wooden dam; it was altogether different work as an engineering work? A. It is a different work altogether from the work proposed.

Q. And from an engineer's standpoint, its magnitude and importance far transcended the old wooden dam idea? A. It did.

Q. Perhaps you know, as a matter of fact, that by excavation, and in other ways, they have engineered to get five feet more of water? A. On the Ontario side?

Q. On the Ontario side, five feet more than was contemplated in the wooden dam? A. Yes.

Q. That means, does it, five feet more of the lake which can be unwatered in the dry season? A. Yes sir.

Q. I understand that the level of the water at the dam at high tide is not changed by that scheme at all? A. No.

Q. The effect of the change is merely that you can let the lake lower itself five feet more, is that your understanding? A. From the Ontario channel you allow five feet more in depth, do you see.

Q. By excavating the Ontario channel and getting the base, the platform of your dam, five feet lower, you are able to unwater the lake in the dry season that much more? A. Yes.

Q. That of course meant then that the dam on the Ontario side from the bottom to the top would be five feet more, the distance from the bottom to the top of the concrete work? A. Five feet more than the wooden dam had been contemplated.

By Mr. Lake:

Q. Have you known of plans and specifications in cases where unit price tenders are called for? A. Not for dams.

Q. But in public works generally, one kind and another? A. Not in connection with the Government, not since my work connected with the Government. I have done so but—

Q. Not since you have been in the Public Works Department? A. Not since I have been in the Public Works Department.

Q. But you did it in the case of this particular dam we are referring to? A. Yes, sir, that is, it was suggested that we should.

Q. In reference to this undertaking, did you make an estimate of what the cost of the undertaking would amount to? A. Yes sir.

Q. And in doing so, I presume, you had an estimate of the quantities of material to be used? A. I had.

Q. Had you made the estimate of quantities of material to be used before the tenders were called? A. I had.

Q. You had? A. I had.

Q. Did you send that estimate of the quantities down to Mr. Robillard? A. To the Chief Engineer, sir, I sent a detailed estimate.

Q. Of the quantities? A. Of the quantities, as well as the plans and specifications to the Chief Engineer, who then had them sent—

By the Chairman:

Q. Wait a moment, don't speak beyond your own knowledge. You simply say you sent it to the Chief Engineer? A. Yes.

By Mr. Lake:

Q. In calling for bulk sum tenders, did you ever supply would be contractors with an estimate of the quantity of materials required? A. We did not, every tenderer calculated his own quantities.

By the Chairman:

Q. You say that every tenderer calculated; Mr. Lake asked you about the practice of the Department. When bulk tenders are being called for, is it the practice of the Department to supply tenderers with the quantities which will be in that work? A. Not to my knowledge.

Q. Is it the practice then for tenderers to work out their own quantities from the data? A. Yes.

Q. That is when bulk contracts are being dealt with? A. Yes.

Q. Then in this particular case, the tenderers were not supplied with the quantities? A. They were not.

Q. They had to work them out themselves? A. Yes.

Q. You had previously worked out quantities you say, and supplied them to the Chief Engineer? A. Yes.

Q. And Mr. St. Laurent would know that? A. He would, that is I presume he would.

Q. Cannot you go further and say he would, for later on you say that the tender had been printed so far that it could not be recalled, that St. Laurent said it had been the intention to have unit prices, and it was too late to go back on it. That is the case, is it not? A. This much I can say, that Mr. St. Laurent knew that I had made my estimate in detail as far as the quantities are concerned. They were in my possession.

Q. And in the Chief Engineer's possession? A. Yes.

Q. Here is the point, at that time, even after the form of tender that was to be forwarded, if St. Laurent wanted unit prices in reality, could he not have given the quantities from the memorandum you had supplied to the tenderers, and said to the tenderers, "Now in putting in your list of prices there, these are the quantities on which you have to give these prices"? A. He could have done that.

Q. Even after the form of tender was printed, there would have been no difficulty in saying to the tenderers, "These are the quantities to which these prices will attach"? A. That could have been done.

By Mr. Lake:

Q. Was that before tenders had actually been signed? A. Oh yes, the advertisement had been published.

Q. Calling for tenders? A. Calling for tenders, and the way it was found that unit prices were not being called for was by my asking to get a copy of the printed specifications and form of tender. It was then that I drew the attention of Mr. St. Laurent.

Q. That would be between the date of asking for tenders by advertisement, and the actual signing of the tenders? A. Yes.

Q. At that time the forms of tender had not been sent out? A. I believe they were distributed to the various places. They had been printed, and sent to the various offices where the contractors could see them.

Q. When the mistake was discovered, it would have been quite possible to have had them sent out? A. It could have been recalled altogether and a new form sent out.

Q. Showing the quantities to every man who had asked for the form of tender? A. Yes, it could have been done.

Q. (Shown the tender indicating the printed list of articles, the form of tender for the wooden dam and referred to item "white pine 3 x 12" in place written in)? A. That is certainly not my writing.

Q. What other office, besides your own, would be authorized to make an addition of that kind to the printed form? A. I do not know of any other office that at the time could have done that. It was not my change.

Q. Can you explain how forms of tender should be distributed to men who wished to tender for this work, and not be all exactly similar? A. I do not know, I had not the distribution of the forms of tender.

Q. Do you not think it is a serious matter that that should be the case? A. Yes, because all contractors are in the same position.

Q. In respect to one item especially in which one tenderer placed the figure at $19,500, it does seem a serious matter? A. Of course all forms of tender should be alike.

Witness retired.

MONDAY MORNING, February 5, 1912.

PRESENT:

Hon. A. B. MORINE, K.C., *Chairman.*
R. S. LAKE, *Commissioner.*

JOHN LUMSDEN, lumberman, sworn.

Examined by the Chairman:

Q. You reside at Lumsden's Mills? A. I reside here in Ottawa. My business is at Lumsden Mills.

Q. Did you reside there in November, 1908? A. I did not reside there, my home has always been in Ottawa.

Q. You were a tenderer on the 19th November, 1908, for the Lake Timiskaming dam? A. Yes, sir.

Q. This is your tender which I now produce? A. Yes, sir, that is my signature anyway.

Q. Was the site of the dam near your mill? A. Yes, sir.

Q. Which is situated on what stream? A. Gordon creek.

Q. Consequently, so far as the dam was concerned, you would be in an advantageous position in that you could cut your timber and, if necessary, saw it to size? A. Not necessarily for that job, I intended to buy it.

Q. You intended to buy all the timber that would be needed? A. Not all.

Q. But the major part of it? A. Well, a portion of it.

Q. Where did you get information upon which to make your tender? A. I got the specifications and went at it myself.

Q. At what office did you get it? A. I think I got it at the Department. I am not sure about that. I do not know whether I got the first one from a little office across the street where Mr. Perrault, engineer, was, or whether I got them up in the Department first and went to see Perrault after.

Q. I presume you saw the plan? A. Oh, yes, sir.

Q. At Perrault's office? A. No, sir, I saw that in the Department.

Q. Then with the plan and specification you worked out your own quantities? A. Yes, sir.

Q. Did they give you any information about it except in that way? A. No, sir, I did not get any information about it at all.

Q. We are told that the plans and the specifications make no reference whatever to concrete, but in the schedule of prices attached to the tender item 22 is 'concrete 1 x 3 x 5 in foundation,' and you filled out the quantity at one thousand yards at eight dollars per yard; now, can you remember where you got the idea that any concrete was needed? A. It said so on the specification and on the plan.

Q. No? A. Well, the plan that I saw had it, because I will tell you how I got it, on the plan it showed where there was a large two-inch or two and a half inch anchor bolt and this bolt was to go down a distance into the bed of concrete between the timber piers.

Q. I now show you the plan, will you point out where that is? A. It was for to anchor that bolt there (indicating).

Q. At the bottom of each pier there is shown on the detailed plan what is called a rock bolt? A. Yes, sir.

Q. To what extent did you suppose that concrete would be required there at that rock bolt? A. It was to put that bolt into in the event of our not being where there was rock.

Q. And in such a case as that, how much concrete would you have to put around each bolt? A. I think we figured on the basis of something like the width of the pier which I believe was 5 x 6 x 3 feet deep.

Q. And if there was no rock you would put down a 5 x 6 x 3 concrete block? A. Yes.

Q. Did anybody give you any information as to the number of places where that would be necessary, or did you simply have to guess that? A. I took it to be every pier, but nobody told me.

Q. That is every pier in the water, but of course there is a portion of it that gets up on the island? A. Well, it is more or less in the water, even at that.

Q. You mean to say in high water? A. Yes.

Q. You calculated you might have to put cement concrete in that way at the bottom of each pier? A. Yes.

Q. That would be just one place at one side of each pier? A. Well, yes.

Q. That bolt is at the upstream edge of each pier? A. Yes, sir.

Q. And it is just one bolt? A. Yes, sir.

Q. And in your calculations you calculated that you would require to put one of these at each one of the piers? A. Yes, sir.

Q. There was nothing in the shape of information furnished you from which you could come to such a conclusion, except your own knowledge of the locality and your belief? A. Well, I could not just recall that because I had several conversations with Mr. Perrault, the engineer, at the time.

Q. In which you would probably ask him on this point? A. Yes, because in making out the figures, in certain interviews I got stuck and I had to get information, but I do not suppose I interviewed him over four or five times.

Q. We have examined Mr. Perrault here and he says that neither the plans nor the specifications show any concrete, and that the only place where concrete would be needed was in any cracks or intestices that might be found in the rock formation? A. Well, he is the man I got any information that I got from, which was not there. I am not prepared to say now that he said there would be concrete at each place, but I took it upon myself to safeguard myself that there would be.

Q. In any case, so far as a written or printed statement of places where concrete would be needed goes, it was not furnished? A. No.

Q. It may be of some interest to you to know that Rainboth, who was a contractor, put only two hundred yards of concrete in for that work. The successful tenderers, Kirby & Stewart, gave no quantity nor did Conroy & Conroy, of Peterborough give any quantity. You and Rainboth are the only two that gave any and you put one thousand yards and he put two hundred yards, apparently, indicating lack of precise information upon which to make a tender. The next item I want to draw your attention to is Item 23 'unwatering.' A bulk sum of $54,394 was put in your tender. By way of comparison I may mention that Rainboth had $15,000, Kirby & Stewart had $4,000, Conroy had $20,000, so that the tenders for this range all the way from $4,000 up to nearly $55,000. Will you tell us how you made out the unwatering item? A. Well, without making a short answer, from practically living there for twenty-five years.

Q. How did you arrive at the peculiar sum of being just $6 short of $55,000? A. Oh, well, that came out in this way; I always maintain that $50,000 was my price for unwatering. The other came in in fixing up the figures to $265,000 which was my bulk sum.

Q. Your bulk sum is $265,953 and when you were going on with the schedule of prices you put in that large amount for the unwatering so as to make the schedule agree with the bulk sum? Is that the idea? A. It was something in that way, I have forgotten just exactly how it occurred, but $50,000 was what I intended for the unwatering.

Q. And the $4,994 represents the difference between the two calculations? A. Yes.

Q. What did you understand in your own mind was the method of unwatering that would be required? A. Oh, to dam the river off.

Q. Were you going to put a coffer dam right across the river? A. Yes.

Q. Part at one side and part at the other? A. Yes.

Q. I presume you intended to coffer dam the Ontario side first? A. Well, the Ontario side was really dry. Of course that all depended upon the location of the dam.

Q. But in the location that was intended at the time you drew the plan and which was shown on the plan there, it was not entirely dry on the Ontario side? A. No, sir.

Q. It was in the water all the way across except on the island at very low water? A. Yes, sir.

Q. In the Ontario side there where it was intended to put the dam at that time, did you contemplate putting a coffer dam over there? A. Yes, sir.

Q. Before you did the other stream? A. No, I was going to do the Quebec side first.

Q. Why was that? A. Well, I thought it could be handled to better advantage.

Q. Were there any special reasons for that? A. Well, partly as the water was very low that year.

Q. That was in the fall of 1908, when you were tendering, when would you have done that work? A. Right at once.

Q. That very autumn? A. Yes, sir.

Q. Then, in taking the Quebec side at that time and in that way was it merely because it happened to be very low water that year? A. Yes, sir.

Q. In putting your coffer dam across there, how would you have unwatered the lake while the work was going on? A. Through the Ontario side.

Q. Would it be necessary for you first to do any excavation on the Ontario side? A. Yes, sir.

Q. And to take away that part of a bar which existed there? A. Yes, sir.

Q. Would you have done that at the same time that you were unwatering? A. Yes, sir.

Q. Would you have done that by simply taking the narrow channel through the centre? A. My intention was to put a couple of steam derricks up there with a long boom and to take the boulders up and save them for filling and take them off and let the water do the excavating.

Q. What would happen then? A. When I dammed the Quebec side, that would raise the water and it would go through that side.

Q. As you kept on building your coffer dam across, the water would be rising on you all the time? A. Yes. It would have scoured it out.

Q. In your contemplation you would have that coffer dam across the Quebec side in a short time? A. Yes.

Q. What time would you allow ordinarily to have done that? A. I was going to allow three months to do that.

Q. The coffer damming? A. Yes.

Q. Would you have gone on to build the dam proper during the winter? A. Yes, sir.

Q. Would you have done the necessary excavation and put your dam over there? A. Yes, sir.

Q. Then, in the spring, where would the water go; would it go over the Ontario side, or would you be ready with your dam to let it go through on the Quebec side? A. I would have to be ready with the dam.

Q. When does high water come there? A. That is hard to say, sometimes I have seen it as early as the 15th of May, and in other years it has been the 15th or 20th of June.

Q. Even so, $50,000 for that coffer dam, unless you were providing for contingencies which you feared, would be a pretty large amount; did you have anything else in view? A. No, sir, that would not have been a pretty large sum.

Q. From the figures which have been given by various witnesses here, I should think it would be, unless you had some specially powerful dam in view? A. No, sir, it is a hard site to build a dam at.

Q. In what way? A. Well, it is a hard thing to control the water. It is a hard thing to get that coffer dam in. As a matter of fact, every time I see the proposition, I shake hands with myself and say: Well, you are one fortunate sucker, anyhow.

Q. As a matter of fact the result has shown that you were right in believing that it was a very hard proposition? A. Yes, sir.

Q. But many men are wise after the event, and to some extent you see you are wise after the event, still from your knowledge of the matter you had more wisdom than the others and you knew it was a difficult proposition? A. Two of the contractors never saw it. Well, I might say that Rainboth has seen the place in a casual way. As far as the other contractors were concerned, they depended upon the specifications and the plans, I think. They seen it, however, when their tender was in, because I took them up there personally myself and showed them all around.

Q. Do you mean Kirby & Stewart? A. Yes, I took them over the rapids in a boat with Mr. Perrault and Mr. Stewart, but, previous to that, they had never seen it and I think they felt pretty shaky when they had seen the place.

Q. Is it not an astonishing thing for people to contract for work of that kind without ever having seen the place? A. I think they depended altogether on the information.

Q. From the nature of your business, you are a dam builder to some extent? A. Yes, sir, I have had some experience of it.

Q. You have to build dams in the lumbering business and you know the difficulty of the work? A. Yes.

Q. And then you were very familiar with the Timiskaming? A. Yes, sir, particularly.

Q. Had you any general knowledge of the dam on the Quebec side? A. I went down there in a boat and we sounded and all that kind of thing. I knew it was a boulder bottom and we made some tests. We took and put an auger on the end of it and we put that down in between the boulders looking for rock to find out how far we would have to go before we struck rock foundation.

Q. Did you get the rock foundation? A. No, sir.

Q. The result has shown, not only that it is a boulder bottom but that the boulders were embedded in sand, and that along that slippery sandy bottom the scouring is continually taking place? A. There has been scouring in some places.

Q. You anticipated that to some extent? A. Yes, I was afraid something of that kind would take place.

Q. But, as a matter of fact, the work was not started until when? A. The following spring. Well, pardon me, you said "work," of course there is a difference between the work and the men getting on the site. The contractors were there anyway previous to the first of June, but work actually did not start until some time after that.

Q. The Ontario side was done first? A. Yes, sir.

Q. It was not until the fall of 1910, or two years afterwards, that they started to put the coffer dam across the Quebec side? A. Yes.

Q. In the spring of 1911 it went out? A. Yes.

Q. And in the spring of 1911, the water was more than usually high, was it not? A. No, sir, it was higher in Lake Timiskaming due to the dam being in, but if the dam had not been there it would only have been ordinary water.

Q. Was not the channel on the Ontario side by that time sufficient to carry off the usual extra water? A. No, sir.

Q. The water would still have to rise considerably in Lake Timiskaming to make it flow off very easily through the Ontario side? A. I do not think you could fix it any way so that it would flow off through there and be anything like normal.

Q. You think that the dam there now on the Ontario side, no matter how it is fixed, is not capacious enough to carry off the extra water? A. I do not think so, but I am not an engineer. These fellows that are engineers can calculate how much water will run in a minute and how much space it occupies and so on, but from my looking at it, it does not look as though it would do the work although it probably will.

Q. The original location of that dam was changed? A. Yes, sir.

Q. And on the Ontario side the dam was carried well down? A. Yes.

Q. And on the Quebec side it was carried down somewhat? A. Yes, sir.

Q. And on the new site on the Quebec side, is it at the beginning of the rapids? A. No, sir, it is down the rapids, a matter of perhaps a thousand yards.

Q. So that until the thing is coffer dammed across, the water would be very rapid there? A. Yes, sir.

Q. Would that affect the scouring action along the bottom very much? A. Well that all depends on how much boulders have been disturbed. If they have not been disturbed it should not affect it. It has been there for centuries.

Q. But I presume the building of the coffer dam itself would in some sense disturb the boulders? A. Why so?

Q. Have you not to keep driving into the bottom under the coffer dam? A. There are boulders there that are half the size of this room, and the setting down of the dam on that, I do not see how that would scour it.

Q. But between the boulders, would not the dam to some extent be disturbed? A. Oh, well, those boulders are pretty tight together.

Q. And the coffer dam is just being set on the boulders? A. Yes.

Q. Then, of course, the actual excavation from the main dam itself would be considerably down stream from the coffer dam? A. Yes, sir.

Q. And, disturbing the boulders there for that purpose? A. Oh, that would scour out.

Q. Would it scour out as far as the coffer dam behind? That is a very important question, is it not? A. Yes, but I do not know how you could get them started, and come back one at a time.

Q. I understand they are having great difficulty in getting the coffer dam built tight? A. Yes, sir, I was there on Saturday.

Q. Was the coffer dam tight on Saturday when you saw it? A. No, it is not absolutely tight.

Q. Are they going on with the excavation of the site for the main dam now? A. Well, they are trying to get it dry, they are excavating on the extreme north of the Quebec side.

By Mr. Lake:

Q. Are they likely to get it completed before the spring, if all goes well? A. Well, I cannot say.

By the Chairman:

Q. When the spring freshet comes, if the Ontario side is not sufficient to carry off the water it must come over the dam on the Quebec side? A. Yes, either that or blow it out.

Q. Before that time the foundation for the main dam and some of the piers ought to be in? A. I do not think it is possible, sir.

Q. Then, what would be the natural effect of the rush of the water through the Quebec side on the work that has been done on the main dam? A. Well, it is going to dig it up more or less; I guess they will find it full of sediment again.

Q. Do you think that the coffer dam would dam the water in the spring of the year if the pressure is heavy? A. The part of it that was put in to replace the piece that went out will sure stand until Kingdom come.

Q. It has been put in very heavy? A. Yes.

Q. That is part of that coffer dam on the Quebec side which was put there by contractors? A. Yes.

Q. It has stood so far? A. Yes.

Q. And do you think that may prove to be a weak place? A. It might. However, they have not built the new portion to replace the old part that went out, so high and they intend to let the water run over and form what we call a rolling dam, which means to let the water roll over it.

Q. With regard to the site of the dam and the difficulties of coffer damming and so forth, has the change of site increased or decreased the risk? A. To my notion it has increased the difficulty.

Q. That seems to be the general notion of those who have testified, except, of course, those who are responsible for it; what makes you think that? A. Well, that is to make a comparison, if one site a little smaller could be compared with a site as large as that. I lost $20,000 one year building a dam because I thought I knew more about it than older heads, and I have come to the conclusion now that if you want to build a dam you should build it just where a beaver would build it. It seems a very peculiar comparison, but the Lord has given the beaver instinct enough to know just where to put the dam. In that case where I lost $20,000 I thought that in going down the rapids and putting the dam there I would get rid of building a rolling dam below. Some of the men suggested that I should put the dam at the lip of the lake where the least resistance is, just where the water begins to get through. The suggestion of damming at the lip of the lake was a good one, but I said No, that is no good, we will get out of that altogether and we will build a dam here and we will get rid of the dam up above and the dam below, and make one dam do the two jobs. I left 80,000 logs in the creek that summer. The idea was that the dam was too far down, we could not clear it, and I realized from that experience that you could not put logs through a dam in the middle of a rapid and that is why I think the Timiskaming dam is going to prove of some difficulty in handling it.

Q. That is even after it is built? A. It proved that last summer, because they shot up a lot of dynamite to keep the logs away from the front of the piers. What provisions and alterations they will make in the future I do not know, but they will probably arrange something that will overcome that difficulty.

Q. Dealing first, with the difficulty of building the dam there, you feel that the moment you get down into the rapids portion of the river you have much more difficulty than at the lip? A. Yes, sir, you are that much further done. The water will strike its level. You have to build your coffer dam that much higher, and you have that much more pressure on the dam.

Q. Would you say that the scouring action is much greater down the stream? A. Oh yes.

By Mr. Lake:

Q. Do I understand it is going to be more difficult to bring the logs down because of the dam being built down the rapids? A. Well, I suppose they will take warning by what they have seen last summer. They had lots of demonstrations then to show what it would do.

By the Chairman:

Q. Will you explain to us, as a practical lumberman, how in working your logs through, supposing the dam to be once built, it becomes more difficult to work the logs than if it had been on the other site? A. Well, they have got to rig up a set of glance booms to direct the logs down to a certain opening in the dam.

Q. That is because the dam being in the rapids the water is rushing along? A. You cannot tell when a log is going down river whether it will go lengthwise or broadside, and it will go up against the piers, and at any moment form a jam.

Q. And at the lip the log would be in comparatively still water and be easily guided? A. Yes, in water like that, you could twist them any way you want to, and if the log is going down sideways you can shoot her head off.

Q. Your dam is now situated in the rapids and your logs are running there very rapidly and you have all the difficulty of controlling them, whereas, had the dam been built in the quieter water they could easily have been handled? A. Yes.

Q. In other words, after you have the dam there you have the same difficulty in controlling the logs that you had in the original rapid? A. Yes.

Q. And you have to have your glance booms? A. Oh yes, there have to be booms there, that was always the intention.

Q. Will there be a tendency from having built the dam in the rapid, to increase difficulties below the dam in handling logs? A. I do not think so. Once they are through it is all right. There is no descent after that. It is not a parallel case to the one I cited; the descent is not enough. There is sufficient water and the logs float away.

Q. I did not know but that possibly, because of the manner in which the dam was constructed, it might make the water somewhat more rapid below? A. No, I do not think so.

Q. Then, in your opinion, the site of the present dam, as compared with the site originally proposed, for the wooden dam makes the construction of the dam much more difficult, and the operation of the logs much more difficult? A. Yes, that is from an ordinary layman's standpoint.

Q. Not from an ordinary layman's standpoint, you are a practical lumberman? A. Well, it is not up against mathematical calculations. Those engineer fellows ought to know more about that in a minute than I would know all my lifetime.

Q. Have you such a great respect for theory as compared with practice? A. Well, they ought to know, they can tell you how much water runs there in a minute and all that sort of thing.

Q. I do not see that they ought to know any better as compared with a practical lumberman who has been on the site and knows the water thoroughly and has any amount of experience? A. Yes, but the one thing is this: these gentlemen can take a piece of paper and a pencil and figure it out to anybody and prove such is a fact, and all we can say is that we have never been able to do it. If you tell them about a case they will answer you that these are not parallel cases and that your idea does not apply, and we have no figures, we are guessing at it.

Q. Perhaps they are guessing too? A. They say figures don't lie.

Q. What you mean to say is, that theoretical men are generally satisfied with their theories? A. Yes and able to convince others.

Q. Or able to silence others? A. Well, that is about it.

Q. They don't convince you, for instance? A. Not all the time.

Q. Did you, at the time you put in your tender, have the slightest reason to suppose that a concrete dam might be put there instead of a wooden dam? A. Yes sir—well, I cannot say definitely whether when my price went on that I was actually figuring on that. I think I am safe in saying that I am one of the first that suggested a cement dam, not to the Department, however, but in conversation with other lumbermen. I suggested the fact that it was a pity it was not a cement dam.

Q. You thought generally that at such a site cement should take the place of wood? A. Yes.

Q. But what I wanted to get at is this: when being asked to tender, was it intimated to you in any way whatever that in tendering for a schedule price you should bear in mind that you might be called upon to build a concrete dam, instead of a

wooden one, in that tender? A. No sir, I do not think so. Of course, Perrault was the only man I talked to, and I do not think that ever came up.

Q. As a matter of fact you could not have built a cement dam for the bulk sum you put in? A. No.

Q. Your bulk sum of $265,000 was made up on the basis that it was going to be a wooden dam? A. Yes, sir, however, it was in there at $8.00 a yard.

Q. You did give a schedule of prices at $8.00 per yard for concrete in foundation, which you estimated at one thousand yards. Now, by the terms of that tender that price would apply to any extra work which you might be called upon to do. That is to say, work which is not shown in the plan or specifications, that the engineers might ask you to do extra. Furthermore, that concrete 1 x 3 x 5 is a particular mixture, it means a certain number of parts of concrete, stone and sand? A. Yes, one of cement, three of gravel and five of stone.

Q. It has been explained to us here that when doing a cement concrete dam of large proportions that in some portion of the work a much larger quantity of stone could be used, such as boulders in the platform, and it has also been testified by Mr. Rainboth that the question of the extent to which the use would be permitted of these ingredients would affect very much the price per yard of concrete, so that he said that the tenderer would have to know beforehand to what extent he might be allowed to use these ingredients to fix his price? Is that correct? A. Yes.

Q. Had you a large experience with concrete work? A. I cannot say it was very large.

Q. I mean to say large enough to enable you to give a rate for a concrete dam? A. Oh yes, however that does not mean that while I said $8.00 there I would want to take the dam, as a whole concrete dam, at $8.00.

Q. As a matter of fact, later on when they decided to build a concrete dam, they simply took the prices for extra work which had been given in the different tenders and made up figures as to what it would cost. You were the lowest tenderer for concrete per yard, you were fifty cents lower than Kirby & Stewart, but they made your total larger even for a concrete dam, by adding only $4,000 to his tender for unwatering and by adding $55,994, to yours for unwatering, and then they said Kirby & Stewart are still the lowest tenderer? A. I am glad the good Lord prompted them to do that; I am tickled to death they fixed it that way.

Q. Did you get any notice whatever that your tender was received when they were going to build the concrete dam? A. No, sir.

Q. Or any request to come in and build it? A. No, sir.

Q. You never heard any more after you got your cheque back? A. No, sir, and I got it back quick, the next day.

Q. Had you time to change your mind and wish to have it back? A. No.

Q. If you had been called upon to build the concrete dam, it does not follow that you would have put in a price of $8.00 per yard? A. No, sir.

Q. It would have been a very different proposition altogether? A. Absolutely.

Q. Absolutely different work? A. Yes.

Q. You had in view only a wooden dam? A. That is it, and the cost of unwatering would have been twice what I put in if I had to unwater for a concrete dam.

Q. Why would that be? A. Because you would have to make it absolutely dry or next thing to absolutely dry, and cut all curves off, and with a wooden dam you would not have to do that.

Q. With a wooden dam would it have been proper at that site to have floated out the piers for the foundation of the dam and sunk them without unwatering? A. For a permanent dam?

Q. Yes? A. No, sir.

Q. In hearing the evidence of some of the witnesses here, I may say that one engineer suggested that that might be done, and it occured to me as a layman that

that was the most dangerous proposition I had ever heard on a bottom of that kind? A. I think it would have been an absolute impossibility. Furthermore, you would have to get that sufficiently dry even for a wooden dam, to make sufficient excavation to get down to the bottom where the bottom would hit level and would not be crooked under it when the pressure came on. I do not think you could have floated them out. They have an experience of that up there now, trying to float their piers out for a coffer dam.

Q. The proposition has been made here by one of the engineer witnesses that Kirby & Stewart on the Ontario side, at the old site, could have built the dam without any coffer damming whatever, by simply floating the piers out for the dam and sinking them, would that not be possible? A. No, it would not have been possible. Oh well, it would have been very much easier than trying to do it on the other site, because on the old site, on the Ontario side, it was absolutely calm water. There is no current at all when the water was down because this barrier of rock went across there and it was absolutely dead water. You could bring the pier out there and set that down.

Q. Could you have got a bottom on that side without unwatering, that would have justified putting the dam there? A. No, I would not think so.

Q. You remember that the agreement was that they would clean out beyond the dam, even on the Ontario side, so as to provide a flow? A. Yes, sir.

Q. In that case you would have the dam sitting on a bottom which had not been cleaned out or examined dry, and then you would have had the back water coming from the dam? A. Yes.

Q. It seems to me you could not expect the dam to hold that at all? A. No, sir, the engineer, whoever he might be, would not allow that.

Q. From the very first, coffer damming across became a necessity? A. Yes, sir.

Q. Then on the Quebec side you could not have held the coffer dam there itself in time by such a method as that? A. That has been their method now, bringing out the piers and setting them down for the coffer dam and it has been a difficult process.

By Mr. Lake:

Q. You say they have a coffer dam now that will last until Kingdom come? A. Oh, yes, that part of it will stay there.

By the Chairman:

Q. Has that part that has been put down, been brought out and put down in that way, or have there been piles driven in front of it? A. No, sir, I do not think so. I think they attempted to drive down the sheeting in front but there is nothing heavier than a two-inch plank put down and it was brought out and set on those boulders and there is part of it setting good.

Q. What is there in the new part that makes you think it will stop there? A. It has an immense width, it is twenty-five or thirty feet wide. It is filled full of broken stone from the bottom to the top and it is eighteen feet or twenty feet high.

By Mr. Lake:

Q. Is there much difference between the height of the coffer dam and the height of the other? A. I think there would be probably fifteen feet, it is intended the water should run over it. There are no openings in the coffer dam and no way of regulating.

By the Chairman:

Q. And besides, the surplus water, which they want to hold back to some extent, will run off over the top of that? A. Yes.

By Mr. Lake:

Q. About Kirby & Stewart, you said they had never seen the site, until you took them over it? A. Yes.

Q. And then you say they felt rather shaky about the whole proposition? A. They did not say so but my inference was that.

Q. What time of the year was that? A. I think I took them over there in December.

Q. At that time the water would be very low? A. Yes.

Q. And the thing would look in its best shape? A. They would see more of the contingencies then, any more than the fact there was quite a lot of snow on the ground. I think in the running stream you could see them to the best advantage.

Q. On the other hand, the quantity of water flowing would be very small and they would hardly know what the lake looked like when it was in full flood? A. Yes.

By Mr. Lake:

Q. At that time, had they any material on the ground? A. No, sir.

Q. As far as you know they had made no expenditure at that time? A. I do not think so, not as far as I know.

Witness retired.

OTTAWA, WEDNESDAY AFTERNOON, February 14, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

THOMAS SYDNEY KIRBY, Contractor, sworn:

Examined by the Chairman:

Q. You are a member of the firm of Kirby & Stewart? A. Yes.

Q. How many partners does that firm contain? A. There are four.

Q. Who are they besides yourself? A. Mr. Stewart, Mr. Larmonth, Mr. Roger and myself.

Q. They have it stated somewhere that it was Mrs. Roger; it is Mr. Roger? A. It may be Mrs. Roger, but I do not know; perhaps he is acting for her. Mr. Roger is a partner of mine in other business.

Q. But Mrs. Roger may be the partner in this concern? A. It is quite possible, yes, sir.

Q. When was the firm formed? A. It was formed for the purpose of putting in a tender for the Timiskaming Dam.

Q. Has it since been continued, as a contracting firm, for other purposes? A. We have not entered into any other contract.

Q. Not under that firm name? A. No.

Q. You were a contractor yourself, were you not, before this? A. Yes.

Q. And with Mr. Roger, you say you have other contracts? A. Yes, sir.

Q. What class of other contracts had you engaged in before making the Timiskaming Dam contract? A. More particularly in connection with municipal work.

Q. In the City of Otawa? A. In Ottawa, Kingston, Belleville, and other places.

Q. Is Roger a practical man, too? A. Yes, he is. He was connected with a contracting firm here and did a lot of municipal work in town.

Q. Is he with you in connection with other contracts? A. We have no contract at the present moment; he is a partner of mine.

Q. What did you call the firm? A. The T. Sidney Kirby Company, Limited.

Q. In November, 1908, you put in a tender for a wooden dam at Lake Timiskaming? A. Yes, sir.

Q. And you were apprised soon afterwards that the contract would be given to you? A. Yes, sir.

Q. Were you the active man in calculating and putting in the tender? A. Yes, well we all took a hand in it.

Q. You were a party to the negotiations at that time? A. Yes, sir.

Q. Did you visit the site of the dam before tendering? A. Well, I cannot tell you that from memory. I went up there when there was snow on the ground, I remember.

Q. Mr. Lumsden says that some of your firm, perhaps yourself, visited there with him some time in the winter of 1909? A. I know the snow was on the ground.

Q. You know Mr. Lumsden of Lumsden Mills? A. I do.

Q. Were you there in company with him? A. I met him there.

Q. That would be after you had tendered for the wooden dam? A. I cannot answer that.

Q. Your tender was early in November, so that you must have tendered before you visited the site at all? A. On that occasion, possibly.

Q. I am speaking of this particular tender just now; what data would you have upon which to tender outside of the plan and specifications? A. Well, I knew the locality, I had been there before.

Q. You knew the locality generally? A. I had been there before that.

Q. How long before? A. I do not know whether it was the summer of that same fall, I stopped off there for a while on my road up the lake.

Q. What season of the year would that be? A. Some time in the summer.

Q. Were you, at that time, thinking of making a tender for the work? A. No, sir.

Q. Did you know anything about it at all at that time? A. No, sir.

Q. Did you study the river conditions there then? A. No, sir.

Q. Outside of the plans and specifications, did you have any data upon which you could make a tender for that particular work? A. Nothing more than just what I state.

Q. Just passing through casually, looking at it, and without investigating it at all? A. Yes.

Q. And when you did put in a tender, the only tender you did put in, it was for a wooden dam? A. Yes, sir.

Q. And soon afterwards you gave orders for some timber did you? A. Yes, sir.

Q. Do you remember when you first heard it was intended to build a concrete dam instead of the wooden dam? A. No, I cannot tell you. We were told they were considering a change in the composition of it, that is all.

Q. Who told you? A. I do not remember. I do not know whether it was by telephone or not; I went up to the Department.

Q. Did you go there yourself to see about it? A. I do not know, I say it may have been by telephone.

Q. I don't want "may have been"; were you called up there to see about this matter? A. No, sir.

Q. Then, you did not consult with them about turning it into concrete? A. I did not.

Q. Speaking from your own personal knowledge, when did you first hear that the dam was to be of concrete, and not of wood? A. When we were notified. I think they notified us by letter.

Q. Inasmuch as the change from wood to concrete was a very important thing, and you had tendered for a wooden dam, you ought to have a pretty clear recollection of what took place unless the business was conducted by somebody else than yourself? A. Well, the correspondence will show that. That is all I know about it. I think we have a copy of the correspondence, too.

Q. I am not troubling about the correspondence; I am asking you about what took place that you know personally about. On March 19, 1909, the Assistant Deputy Minister of Public Works appears to have addressed a letter to you, in which he says:—

> "I have to inform you that a contract for the construction of the dam at Lake Timiskaming has been awarded to your firm at the rates stipulated in your schedule list of prices, the dam to be built of concrete instead of timber, according to new plans that are now being prepared."

That is the first notice we find here. That was the first letter which was sent officially to you. Now, you had been told in November that you were to have the contract for the wooden dam? A. I cannot answer that, I do not know.

Q. Do you mean to say that after you tendered in November and until you heard in January, by this letter, that you did not know whether you had the contract for the wooden dam or not? A. My recollection is that in asking about the deposit cheque and things like that, when our tender was under consideration, and that is the first intimation we had. Of course, that is three years ago, and I cannot recall it.

Q. Well, it is not quite two years ago, and the business has been in operation during all that time, and it was only a short time ago you had the work taken off your hands; you must have the matter pretty fresh in your mind if you were the active business man in the work. We desire to get the evidence as fairly as we can. If you don't know, I would like you to say so, and we will have to send for your partner or somebody else who does know? A. I will answer as best I can.

Q. You tendered in November, 1908, and in March, 1909, you were notified that a concrete dam was to be begun; I asked you a moment ago if you had ordered timber and you said "yes." A. Yes.

Q. Now, I ask you how you heard you were going to have the contract for that dam? A. I cannot recollect that.

The witness is shown a letter dated the 29th December, 1910, addressed to the Minister of Public Works.

Q. Is that your signature? A. Yes, sir.

Q. It is signed "Kirby & Stewart, per T. Sidney Kirby;" is that your signature? A. Yes, sir.

Q. Did you write that letter? A. I certainly signed it.

Q. Did you compose it? A. I suppose I did, I cannot answer that.

Q. You don't know? A. No, I do not. The office work is all done in Elgin street, do you understand, and the probabilities are that I was there.

Q. I did not ask you if you were there—this is a letter containing seventeen pages, typewritten and signed by you and certainly composed, and I ask you whether you composed or dictated that letter? A. I certainly was a party to it. I signed it.

Q. You had better not beat around the bush; please answer the question? A. I am not trying to beat around the bush.

Q. I ask you to answer plain yes or no, did you dictate or compose that letter? A. I cannot answer that, I cannot answer without seeing the letter.

Q. Certainly, you can see the letter, you have it there? A. I do not remember what the circumstance is.

Q. You must remember something about that long letter? A. I have not seen this letter for three years. This letter was prepared by Mr. Stewart and myself.

Q. Who dictated the letter; it was dictated to a stenographer or typewriter, I presume? A. I may have dictated it.

Q. I did not ask you who may have dictated it, I asked you who did dictate it? A. I cannot tell, for instance, my lawyer may have been present.

Q. Who is your lawyer? A. Mr. Chrysler.

Q. Was he present? A. He was present, but when that letter was written or not I cannot say. He was present when the purport of it was arrived at.

Q. Precisely, and you and Mr. Stewart, the members of the firm and Mr. Chrysler discussed the purport of this letter? A. Yes.

Q. And it was then prepared? A. Yes.

Q. That answers the question? A. I had not any idea of what letter it was until I saw it, so that there was no disposition not to tell all about it.

Q. On page 3 I find:—

> "The tender was accepted and we were verbally notified of its acceptance shortly after the 14th November, 1908."

You will notice the words "verbally notified." You signed that statement and I ask you now if you were verbally notified? A. That is what I said a while ago, that is my recollection that we were.

Q. I ask you if you yourself were verbally notified? A. Yes, sir.

Q. Who notified you? A. I do not know, in all probability it was Mr. St. Laurent.

Q. Do you think it was Mr. St. Laurent? A. Yes.

Q. I find here a letter from your firm to Mr. St. Laurent, dated December 28, 1908, saying:—

> "After carefully looking over the site, we are of the opinion to begin and complete the dam."

That would probably fix about the time you went up there? A. Yes.

Q. What is the date of that? A. In 1908.

Q. Yes. You had received a letter from Mr. St. Laurent, dated the 23rd December, two days before Christmas, and five days later you answered it. Mr. St. Laurent was urging that the work should be commenced at once and you replied that after again carefully looking over the site you were of opinion that it would be impossible to begin; so that you may have been up there between Christmas and New Year's to look at it? A. Yes.

Q. Can you recall whether you were there or not then? A. I cannot.

Q. Then your letter refers to the letter dated the 19th March, 1909, which I have just mentioned, showing that by that letter you were aware in February that the dam would be changed from a timber dam to a concrete dam. Now, I want to know this: prior to receiving that letter on March 19, did you discuss the question of building the dam of concrete with anybody on behalf of the Government? A. No, sir.

Q. You never had a word about it? A. I do not recollect having.

Q. Do you mean to say that you were awarded the contract for building the concrete dam without having any prior dicussion about the matter with the authorities? A. Unless the question of the schedule came in.

Q. But you had tendered for a wooden dam? A. Yes, with an amended schedule.

Q. What do you mean by an amended schedule? A. The list of prices.

Q. With a list of prices for extra work. A. Omission or addition.

Q. But you were aware that that was omissions or additions to the wooden dam? A. Yes, and alteration.

Q. You put a bulk sum in for the wooden dam? A. Yes.

Q. When you put a bulk sum in for the wooden dam, did you contemplate a concrete dam? A. No.

Q. Did you have any thought in your mind that it was going to be a concrete dam? A. No.

Q. Did you have any hint that in fixing the figure for concrete in the foundation of the wooden dam you were also fixing a figure which would be held to for building the whole concrete dam? A. Absolutely none.

Q. Absolutely none, when on March 19, you got word that you had been given the contract for the concrete dam you would be astonished altogether would you not if you had not had any previous conversation about it? A. It is possible I had but I cannot remember.

Q. Try and brush your memory up because it is impossible for us to believe you did not have some communication of some kind about it and that you did not know? A. I do not know, you understand. I have had no opportunty to refresh my memory or anything else, but I will do the best I can.

Q. It could not require a man of your ability to refresh your memory about a thing so obvious as that. You had tendered for a wooden dam, and you had been verbally told that the contract was awarded in November, and four months later in March, you got word that you had been awarded the contract for building the concrete dam about which nothing had been written between the parties—now I ask you if between the date in November when you were told about the wooden dam and the date in March when you got the letter to go on with the concrete dam you had had any verbal communication with the Department? A. Certainly nothing official.

Q. Well, was there anything unofficial? A. I cannot recall it.

Q. Do you swear there was not? A. Of course, I have already sworn, what I do swear is that I cannot recall any conversation.

Q. Can you recall anything? A. No.

Q. Do you wish the Commission to understand that so far as you are concerned at the present moment you knew nothing between November and March about the concrete dam until you got this letter? A. What I said a moment ago was this, do you understand, that when we were asking questions it may have come up in connection with the deposit cheque, but I do not just remember, and perhaps the statement was made then that there was a discussion as to changing the construction of the dam. But I cannot tell you now who that discussion was with.

Q. You don't know who it was you discussed it with? A. I do not know.

Q. Was it Mr. Laurent? A. I cannot tell. It was one of the officers I presume.

Q. Was it the Minister? A. No, I never went and saw the Minister.

Q. You never went and saw the Minister at all? A. I think I saw him once after the work was going on.

Q. In your conversation were you asked whether you would go on and build the concrete dam for the price you put in for concrete in the foundations of the wooden dam? A. It is quite possible.

Q. You are apparently starting to dodge around the question? A. Excuse me. I am not trying to dodge anything.

Q. I ask you a simple straight question and try and answer it straight if you can, answer yes or no, or say you do not know. I ask you if you were asked would you build the concrete dam for the price you put in for concrete in the wooden dam?

Q. If you had been asked? A. If I had been asked I would have said yes.

If you had been asked? A. If I had been asked I would say yes.

Q. My question is: were you asked. Let me put the question again. Prior to receiving the letter dated March 19, 1909, had you been asked on behalf of the Government if you would build a dam of concrete at the price which you had named

in your previous tender for concrete work in the wooden dam? A. The only answer I can give to that is I do not know because I cannot answer it intelligently.

Q. On the 22nd of March, 1909, your firm answered this way to the Assistant Deputy Minister:

> "We beg to acknowledge receipt of your favour of the 19th instant, advising that we have been awarded the contract for the construction of the dam at the foot of Lake Timiskaming."

Now, was that letter sent by you? A. It must be. Mr. Stewart signed letters and I signed letters, I generally knew all the letters going out.

Q. You don't recollect whether that letter was signed by you or by him? A. No.

Q. Do you remember the letter being sent? A. Yes.

Q. And you now say that although you acknowledged the receipt of the notice that you had been awarded the contract for building the concrete dam, you don't know whether you had been asked before that whether you would build it or not at the price? A. No.

Q. You were directed by the letter of March 19 to confer with Mr. Coutlee, did you do so? A. Yes, sir.

Q. And you learned from him the location which had been decided for the Ontario dam, did you? A. I west up with Mr. Coutlee at some time.

Q. And did he show you where the location of the Ontario dam was to be? A. Approximately, yes. The stakes had not been put out.

Q. Did you learn it was to be where it has since been put? A. Approximately, yes.

Q. Was that before you signed the contract or after? A. It was before.

Q. Was it before you commenced work on the site or on the dam? A. Construction work, yes.

Q. Did you commence any work around the dam before learning the location? A. We had bought the plant and timber.

Q. But you had done no work about the site itself? A. No.

Q. No excavation, or any work of that kind? A. No.

Q. The location decided upon by Mr. Coutlee was different from that of the old wooden dam? A. Yes.

Q. And of that change you knew nothing when you received the notice in March that you were to build a concrete dam? A. No.

Q. When you found that there was to be a change in the location, did you make any protest against it? A. I do not know whether we did at the time or not.

Q. Did you make any protest against the changed location at any time? A. We did recall circumstances that had arisen through the result of the change.

Q. This letter of yours written on December 10, makes a claim upon the ground that the location had been changed. I am asking you whether you made any protest against the location before you signed your contract? A. I do not think so.

Q. You got some of your material on the site somewhere about May, 1909, did you not? A. Yes, or April, I do not just remember.

Q. And the contract itself was not signed until the latter part of June? A. July 22 I think.

Q. Had you commenced any work on the site before July? A. Yes.

Q. What class of work? A. Excavation work.

Q. And you had a staff of men there? A. Yes.

Q. And you thoroughly understood what the location was when you signed the contract? A. On the one side, yes.

Q. Did not you understand where the location was on the other side? A. I do not think it was definitely settled then.

Q. Were not the plans and specifications fully prepared before you signed the contract? A. Yes, necessarily. For instance, I got a phone message in the morning to sign the contract that afternoon and that is all the information I had.

Q. Did you look at the plans? A. I assume I did before signing it.

Q. You saw from the plans what the location was? A. I must have.

Q. The point is this: you either did or did not understand where the Quebec location was, and I want to know which—when you signed the contract did you know where the dam on the Quebec side was to be located? A. I must have before I signed it.

Q. Now, in that connection, in your original tender you put in $4,000 for unwatering at the wooden dam? A. Yes.

Q. What amount of unwatering did you understand was to be done? A. Simply around some of the pits. The original location of the dam was at the head of the island in still water. Of course when you are constructing a timber dam, why you can float your cribs out and sink them.

Q. What you proposed to do was to float them out and sink them? A. Yes.

Q. But that is not the universal way of doing it? A. In still water, yes.

Q. In such water as prevailed at the head of the island? A. Yes.

Q. Did you ask the Engineer for the Government if they would permit the dam to be built in that way? A. No, the plans show it was to be a continuous finger dam right across and showed rock within three feet of the surface.

Q. I know all that, but what I want to know is the question of fact now: did you raise the question at all whether you would be allowed to build the dam by floating out the piers and sinking them? A. I did not ask the question.

Q. It was never discussed between you and the engineers? A. No.

Q. Then, in the $4,000 that you provided in that first tender you say that you were only dealing with the unwatering of the piers? A. For instance, there was one item in the specifications that said that so far as the concrete was concerned that it might be found necessary to put concrete in certain locations. That is my recollection of it. That would have to be unwatered before you could put concrete; you could not put concrete down at the bottom of the river.

Q. Let me tell you; there is absolutely nothing in the specifications about concrete at all; I am speaking of the original specifications of the old tender? A. Pardon me, sir, there must be.

Q. No?—A. If you look at the form of schedule in the tender you will find it is the same schedule we are working on.

Q. Oh, yes, item 22 for extra prices says: "Concrete 1 x 3 x 5 in foundation," and that is the only place where the word 'concrete' appears anywhere? A. Suppose we had to make up a bottom under the cribs they would want to make that up with something, you understand, that would not be washed away.

Q. I was going to call your attention to what you probably mean—in the plan, at what may be called the up stream toe of each pier there is shown a bolt running down into the rock if rock could be found and if there was no rock there one of the tenderers said that he was told that a concrete block would have to be put there to fasten that bolt to.

The witness was shown the plan.

Q. Is that what you meant there? A. That is not what I mean.

Q. What is it that you do mean? A. The original plan shows rock within three feet of the surface. These plans do not show the cross-section of the river.

Q. Where did it show concrete? A. These are not the plans, sir, there is another plan some place.

Q. Another plan of what? A. Showing the red line where the rock was.

Q. You say that according to your recollection there was a plan showing that some concrete would be needed? A. No, it was only anticipation in the specifica-

tion in the event of any concrete being required for any purpose, that was there covering it. Now it is possible that no concrete would be required at all. That is possibly the reason that I do not recollect. You make the statement that there was no specification for it. That is quite possible, no concrete might have been anticipated, but the item was there in the event of it being needed.

Q. You say you only put $4,000 for unwatering in case any concrete should be needed? A. Not concrete for any purpose. I thought that $4,000—I did not think it was necessary to unwater all the way across. It might be necessary on the Ontario side to put in crib works above to hold it.

Q. On the Quebec side? A. For instance if you were in swifter water.

Q. Anyway when you put in $4,000 for unwatering, you had no idea that either the Ontario side or the Quebec side would require to be coffer dammed, that wasn't your thought? A. No.

Q. Then you received your letter dated March 19, 1909, you were told this: "Of course it is understood that your price for a concrete pier was not stated in your tender, and the sum mentioned for unwatering is to cover all coffer damming which you may require to build the dam." A. What is the date of that?

Q. March 19, and these words apply to the building of a concrete dam? A. Yes.

Q. What did you say upon that score at that time? A. We accepted it for two or three reasons. We had contracted for over $20,000 worth of stuff at that time, some of which was paid for.

Q. To go into the wooden dam? A. Machinery, and on the Ontario side the plans show that in the summer it was perfectly dry, and the Quebec side had not been located.

Q. Yes, that was all shown in the margin, but no matter whether the Quebec side was shown, you know that that could not be perfectly dry? A. Yes.

Q. You knew that that was the hard side to deal with? A. Pretty well down the rapids.

Q. No matter whether it was below, it was the top side, the main channel of the river? A. If it went to the top of the island, it was not as deep there as down below, nor as swift water.

Q. If it remained where the old wooden dam was to be put, it was not in the rapids, and the water was not as deep as it would be lower down and so it was; but you knew at that time that this location might be changed? A. Yes.

Q. And you were being notified by the Department that you would be held to your $4,000 tender for unwatering? A. Yes.

Q. Well, were you not putting yourself into a perfectly crazy position? A. You can consider it that way if you like. There is the fix we were in.

Q. No fix at all, because you had been notified by the Government that the contract had been awarded to you, and you had ordered your material on the strength of that notification, hadn't you? A. Yes.

Q. You had a perfectly good claim against the Government for compensation. All you had to do was to say: "If you have changed your mind and want concrete, take this stuff off our hands." Did you put that up to the Government at the time? A. I did not.

Q. When you got this notice, did you try to get out of taking the contract? A. I did not.

Q. You accepted the contract with full notice that this was all you would get, and later on, when in July, you signed the contract that notice still stood, didn't it? A. Yes.

Q. Did you at that time raise any objections about the matter? A. We did raise an objection, I cannot tell what date.

Q. Did you raise objection before you signed the contract? A. I do not know.

Q. Well, surely Mr. Kirby——A. I do not think so, there would be a letter there anyway.

Q. I was not talking to you about letters, we can answer that question for ourselves; I am asking what position you put up to the Government verbally when you were called upon in July to sign the contract, and you had this notice before you that you would only get $4,000 for the unwatering, and you perfectly well knew then that the dam on the Quebec side was to be built in the rapids where the water was both rapid and deep. Did you put up to them that your tender of $4,000 was utterly beneath what it would cost? A. I do not think so.

Q. You knew then that you had to coffer dam right across that Quebec stream? A. Yes.

Q. You could not build a coffer dam in any other way? A. Than what.

Q. Well, by coffer damming across the Quebec side? A. Oh, yes, you could.

Q. How? A. By taking it in pieces.

Q. You would have to coffer dam if you did A. Yes.

Q. And $4,000 was quite inadequate for that, wasn't it? A. As it turned out, yes.

Q. Leaving out the way it turned out, from the very beginning, after having got your Ontario side built, you realized that $4,000 would not do the coffer damming and unwatering on the Quebec side? A. If the flow of the water was eased, it would make a material difference.

Q. On the Quebec side? A. Yes.

Q. Who was to ease it? A. We were to go up stream 250 feet. We went up stream 250 feet, and 150 feet wide was the excavation with our steam shovel.

Q. Yes, on the Ontario side? A. Yes.

Q. But, as a matter of fact, in the spring of 1911, although the Ontario dam was completed, and the water was going off as rapidly as it could, your coffer dam went out on the Quebec side? A. I do not think that the excavation we made, our 250 feet channel, goes down as low as it ought to be.

Q. Probably not as complete as it ought to be? A. That would make a great difference.

Q. The point you put was, that the extent to which they would excavate on the Ontario side would be an important consideration to you. Now, when you signed your contract in July, 1909, did you get them to stipulate anything about what they would do on the Ontario side? A. They would see the plans where they had come down and made the 250 feet excavation.

Q. Did you provide when they were to do it? They might do it when they liked? A. I cannot answer that.

Q. Did you ask them when they would do it? A. It was understood to be done to meet ours. I must have asked the question and got an answer from the Engineer in charge, that was only by conversation.

Q. Do you remember having any conversation with Mr. Coutlee, the Engineer in charge, with reference to the time when they would do their excavating on that side? A. No, I was told one day, I cannot recollect the date, that the dredge *Queen* was on the road down to start the work.

Q. But was that before you signed your contract? A. I do not think so.

Q. Well, the point I am putting to you is this, that when on the 22nd July, 1909, you signed the contract to complete the concrete dam, you knew the location, and you must have known then that $4,000 was inadequate to do the coffer damming and unwatering on the Quebec side? A. I don't admit that, it might have been.

Q. In that case, if you did not know, you accepted the position willingly? A. You see I had no alternative.

Q. I am not talking about whether you had an alternative, I am asking whether you accepted this without a protest at that time. A. Yes.

Q. Now in this letter of December 19, 1910, which you have examined and told us about, you set forth your side of the case and wound up by asking that the expense of unwatering and the cost of excavation still to be done should be assumed

by the Department, and the Department agreed to do so? A. We give the reason there, don't we?

Q. I presume the whole 17 pages are reasons leading up to that. That is what you conclude with. I just wanted to remind you. The Government did agree to pay the whole cost of unwatering. Did you, before writing that letter, attend a meeting which was held in the Department of Public Works, when Mr. Chrysler, I think was present, and the minister was interviewed on the subject? A. I never went to the Department with Mr. Chrysler.

Q. Did you go there and meet the minister at any time, I mean Mr. Pugsley? A. I did, yes, once.

Q. Who else was there besides you? A. I do not know that it was Mr. Stewart.

Q. Did you have a lawyer with you? A. Yes.

Q. Mr. McGiverin, Mr. Hal. McGiverin, appears on one occasion to have attended on the minister for you. Was he there with you at any time? A. I believe I was with McGiverin once, yes.

Q. At the Department, seeing the minister? A. I know we went to Mr. St. Laurent's office.

Q. But did you see Mr. Pugsley? A. I do not recollect.

Q. You would recollect if you had an interview. Do you say you had an interview with Mr. Pugsley? A. I had an interview.

Q. Once or more? A. Once, I think.

Q. Who was present at the same time? A. I think I was alone, and it was in connection with this interview that Mr. St. Laurent said it was a matter for his engineers.

Q. You were not either with Mr. McGiverin or with Mr. Chrysler to see Mr. Pugsley? A. I do not recollect going to see the minister with Mr. Chrysler.

Q. Or with Mr. McGiverin? A. As I say, the day we went up Mr. McGiverin may have gone into the minister with me. Mr. St. Laurent said it was a matter for his engineers.

Q. Mr. McGiverin may have been with you on that occasion? A. Yes, it is possible.

Q. Before you wrote this letter of December 1910, did you have a discussion concerning the whole matter with Mr. St. Laurent or Mr. Coutlee, or with both of them? A. I think we had a discussion in Mr. St. Laurent's office, and I think Coutlee was there.

Q. That was before this letter was written? A. I cannot tell you the date, sir.

Q. You can remember whether it was before or after the letter was written? A. No.

Q. You cannot? Well later on in 1911 the whole contract was taken off your hands and an order was given to return your deposit and so on? A. We got our deposit.

Q. Later on you got it, but this was in August, 1911, when the arrangement was made. Did you ask the Department to take it off your hands? A. Yes, I think we wrote them a letter.

Q. Asking them to take it off your hands. I find it was on June 29, 1911 that Mr. Chrysler wrote to Mr. Pugsley asking for a private discussion. Was that on your behalf? A. I cannot say that, I did not see the letter.

Q. I did not ask you whether you saw the letter. Did you instruct Mr. Chrysler to see the minister for you? A. As far as Mr. Chrysler is concerned, yes, Mr. Stewart may have seen Mr. Chrysler. Sometimes I am a good deal from the city.

Q. I show you a letter dated June 29, 1911, addressed to the Minister of Public Works, signed by Kirby & Stewart. Whose writing is that? A. Mr. Stewart's.

Q. Well now, you notice that that is a letter which first refers to the letter of 29th December, 1910, and then goes on to deal with the further history of the matter,

and winds up by requesting the department to take over the whole work. Where were you when that letter was written? A. I would be in Ottawa.

Q. Well then, you were aware of its being written? A. Yes.

Q. Had there been any previous discussion between you and anybody acting for the Government about the desirability of taking over the work? A. No.

Q. None whatever, this was a voluntary thing on your own part? A. As far as I am concerned, yes.

Q. Do you remember whether that letter was carried to the minister by Mr. Chrysler? A. I do not know.

Q. Do you know who dictated or composed that letter? A. No.

Q. Is it probable that it was done in consultation with Mr. Chrysler? A. I couldn't tell you.

Q. On the previous December 29, 1910, you had consulted with him about that letter, and this is a continuation of the same subject. Cannot you recall from that whether Mr. Chrysler consulted with you about it? A. I cannot tell that from memory.

Q. Had you lost money in the contract up to that time? A. I cannot tell you that.

Q. You do not know that ? A. No, there were things which would have to be adjusted.

Q. But you understood that you would lose money if you finished the contract? A. Possibly, some.

Q. I asked you whether you anticipated, do you mean to say you do not know? A. Well, the last balance sheet I saw did not show much of a deficit.

Q. When you asked the Government to withdraw, it was not because you contemplated a loss? A. No, it was the difficulties unforeseen there that might have been embarrassing.

Q. That might have caused a loss? A. Yes.

Q. You put it this way, it was not because you had lost up to that time, but because you might lose? A. Yes, there was this question of the unwatering, striking a bed of quicksand.

Q. You did not know how much it was going to cost? A. No.

Q. And if you built another coffer dam, and it went out, you would get no pay for it. Of course the coffer dam had been built by the Government. If another coffer dam had to be built, the Government would have to pay for it, wouldn't it? A. Yes.

Q. If the Government provided the coffer dam, where would your loss come in? A. It would require a lot of extra plant to go on with it.

Q. With the coffer damming? A. Yes.

Q. You would be paid for that? A. For the plant?

Q. Yes, anything, because you had to be paid the actual cost plus 15 per cent for all the coffer damming you did, were you not? A. Yes.

Q. Well, then, if you required extra machinery or anything else to go in, that would be wear or tear or depreciation, all that would go into the cost of coffer damming, wouldn't it? A. It should have.

Q. Would it not? A. That is an interpretation for your engineers.

Q. It is an interpretation for an engineer. If it is agreed with you that you are to do certain work at cost plus 15 per cent, the cost certainly must include everything you put into the doing of the work? A. It should.

Q. Had you any doubt on that point? A. I do not know whether I gave it consideration.

Q. You do not know whether you gave it consideration? A. No.

Q. What I want to get down to is this, if the Government were to bear all the cost of the coffer damming that might be necessary, why did you want to give up the work? A. It must have been——

Q. I did not ask you what it must have been, I asked you what it was? A. How do you want me to answer?

Q. Answer exactly as to what did happen. Why did you want to give up that contract? A. Not to lose money.

Q. Exactly. Well, then, it has been represented to us here, and that is the reason I have given you a chance to give evidence—I may say that all the evidence will be reported and made public, and I do not wish that some of the evidence given here should go uncontradicted—it has been represented by one of the engineers who acted for the Government that he recommended that the work be taken off your hands and finished by the Government because your firm were financially unable to go on with the work. Now it occurred to me that that might injure your credit, and I wanted you to have a chance to say whether that was the reason, or whether you were losing money on the job. A. It would be the losing of the money.

Q. It is not correct that you were financially unable to go on with any work you had to do? A. We had paid all our expenses up to date.

Q. And for any work you did on coffer damming you would be paid by the Government, plus 15 per cent? A. Yes.

Q. And for the work you would have to do in concrete work afterwards, you would be paid at the price offered in the tender? A. Yes, when it was reached.

Q. As to which part of the work there was no indication of loss? A. What.

Q. There was no indication of any loss in the concrete work, the price was high enough for the concrete? A. I don't think it was.

Q. Don't you? A. No, the original specification for concrete did not consider any forms, putting it up in the air or anything else. It was simply putting it in a hole. We had to supply our own cement.

Q. You have been given the benefit of the lower price? A. No, as a rule, with contractors to the Government, cement is supplied to them, but in our case we had to supply it.

Q. Whether cement would be supplied or not, would depend on how much you were going to get per cubic yard? A. I have no doubt it would be considered but when you consider the price of forms, the price for the concrete was not what you would expect it to be in the original tender.

Q. That is what I have anticipated all along. The price which you had put in for concrete in the original tender was for a small amount of concrete, handled, I presume, in the usual way by just mixing it with a shovel when you needed it, requiring no machinery and little or no forms? A. Yes.

Q. And only a small quantity of work to be handled? A. Yes.

Q. After you were called upon to do a concrete job using forms, and requiring mechanical mixers and all other paraphernalia your price was too low? A. You say it was a good price, it was not a good price.

Q. Was it too low for you to make money on it? A. It was not a good price.

Q. Was it a price which you would have offered to do a concrete dam for? A. I do not think so.

Q. Well in any case when you asked them in 1911 to take that job off your hands, it was because you feared that if you kept it longer you would lose money? A. We might have become embarrassed.

Q. But it was not because you were financially embarrased at that time? A. No.

Q. You ordered some timber in the fall of 1908 for the wooden dam. Was that subsequently supplied? A. Yes.

Q. What was it used for? A. Stop logs.

Q. It was used for stop logs on the Ontario side? A. Yes.

Q. It was timber you ordered for completing the dam, I suppose, in the first place? A. Yes.

Q. It was to go into the structure of the wooden dam. Was that a class of timber which could be got without being specially ordered? A. Well, it was British Columbia fir.

Q. Now, Mr. Kirby, is there anything you would like to add yourself? A. Will you allow me to see the date of that letter in which you say there was a notification of the concrete dam, March 19, (examines letter). I was just going to say, speaking of the materials in there, that after this notification came in on March 19, and before the 22nd of July, in order to take advantage of the spring prices we had bought 10,000 barrels of cement before the contract was presented.

Witness retired.

OTTAWA, WEDNESDAY, February 28, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

ARTHUR ST. LAURENT, re-examined:—

By the Chairman:

Q. Do you know whether Mr. Lafleur, the Chief Engineer, had personally anything to do with the plans for the dam, the wooden or the concrete dam? A. I think that the personal instructions were given by the Chief Engineer to Mr. Brophy.

Q. Given by him to Mr. Brophy? A. Yes, and for the change too I think it was given personally to the Chief Engineer, but whether he was there in his office I couldn't say.

Q. Now, with reference to the unwatering, was any plan or scheme of unwatering devised at any time by the Engineer of the Department? A. Not to my knowledge, I mean until the Department took the work out of the contractors' hands.

Q. In the last year? A. Yes.

Q. But I am dealing now with the wooden dam. Item 23 in the schedule on prices at the back of the tender form, simply contains the words "unwatering"? A. Yes.

Q. The plans for the dam would not show anything about unwatering? A. Not my scheme for unwatering.

Q. And the specifications which formed part of the contract would not lay out any scheme for unwatering? A. No, sir; not that I remember of. I do not remember any specification mentioning any methods of unwatering. That was left to the contractor, I think.

Q. In the amended specification provided by Mr. Coutlee and made a part of the contract with Kirby & Stewart, there is a provision of a general nature concerning coffer dams, that is to say it says in so many words, the contractor may adopt any coffer dam, he being wholly responsible for all damage from freshets or from any other cause shall be at his cost and expense. Now, manifestly, both with regard to the wooden dam and later on with regard to the concrete dam, no plan or scheme was devised by the engineers of the department for the coffer dam or the unwatering?

A. Not to my knowledge, unless they devised a scheme between themselves, but I don't know.

Q. You don't know of any scheme they devised? A. No, sir.

Q. In any case it was not made a part of the tender? A. No, sir.

Q. No information was afforded by the plans or specifications from which the contractor could gather what he would have to do in the way of unwatering? A. No, the contractor was asked I think, and as a matter of fact it is part of the tender, the contractor is asked to go on the site and examine the site, and draw his own conclusion.

Q. That is to say that in this as in other tenders he is obliged to say, "I have examined the site"? A. Yes.

Q. Now, you observe that when the tenders came in for the wooden dam the tenderers varied in price for unwatering from $4,000, $18,000, $20,000 and $54,924? A. Yes.

Q. Well, then, that would indicate that the various contractors took a different view of what would be necessary in the way of unwatering, would it not? A. There is no doubt about that. They viewed it differently.

Q. Later on when figures were made up and included in reports by you showing what would be the cost of a concrete structure, when you came to include something for unwatering, you put in in respect of each of the original tenderers the same sum for unwatering, the same sum that the tenderer had put in in the case of the wooden dam? A. Yes, just the same sum.

Q. Well, now, in any case, would unwatering be the same for the concrete as for the wooden dam? A. Well, I have already said that that depended on the conditions. As far as this is concerned I cannot answer you very directly, because I did not study the conditions on the ground myself. It required a good deal of study to see whether the same amount of unwatering would be required.

Q. Take the Quebec side for instance, a wooden dam might have been put there without any unwatering, might it not? A. On the Quebec side?

Q. Yes, a wooden dam might have been put on the Quebec side without unwatering? A. If you mean that the wooden dam, the same as it was designed, without any cut-offs, well it could have been put there without any unwatering.

Q. I am talking about the original plan? A. I think so, but I cannot answer you positively.

Q. That is what I want to get down to: if the wooden dam on the Quebec side as originally designed could have been put there without coffer damming, then the $4,000 which Kirby & Stewart asked for unwatering would have been reasonable? A. He might have thought that this was reasonable, because I don't know the conditions.

Q. You don't know the conditions? A. No.

Q. But I am putting it this way, if there were no coffer damming to be done at all, possibly $4,000 would cover the unwatering? A. For the Quebec side?

Q. For the whole thing? A. Well, experience has proved——

Q. I am not asking about what experience has proven, but I am putting myself back where you were when that came in. You had advertised for tenders, and an offer was made to do the unwatering for $4,000. I am simply asking whether it was possible that the wooden dam could have been put there and the unwatering not have cost more than $4,000? A. It is useless for me to try and answer you, Mr. Commissioner, because I do not know the conditions.

Q. What I want to get at is this: the unwatering for a concrete structure would be a very different thing from the unwatering for a concrete dam? A. Oh, it would, because the plans were changed entirely.

Q. On the Quebec side, for instance, that is the worst side, the hardest side, you could not commence to put a concrete dam without unwatering? A. Oh, no, you must have a coffer dam.

Q. You must have a coffer dam for a concrete dam? A. Yes.

Q. So while a wooden dam might have been put on the Quebec side without coffer damming, a concrete dam on the Quebec side without coffer damming was impossible? A. Yes, it was impossible, there is no doubt about that.

Q. Well, now, two questions occur; you remember that the Chief Engineer who is responsible for an estimate made for your Department at the end of 1908, estimated that $80,000 would be the cost of the wooden dam? A. Yes, that was the estimate made.

Q. Now, do you remember what was allowed in that estimate for unwatering? A. No, I could not say what the Engineer allowed for that.

Q. You are an engineer yourself, are you not? A. Yes.

Q. I want to put you this question: Could an estimate be properly made with such certainty as an estimate ought to contain without having a clear comprehension of how unwatering was to be done, and to what extent coffer damming would be necessary? A. Oh, no, an engineer making an estimate would have to have a clear comprehension of that.

Q. Do you know as a matter of fact—do you know who made up the figures of that $80,000 estimate? A. That was sent from the Chief Engineer's office. I think it was Mr. Perrault who made it up at the time. I could not be positive however.

Q. Here are the figures put in by Mr. Perrault—you say the estimate was made by Mr. E. E. Perrault, Mr. Lafleur? A. Yes, I believe it was Mr. Perrault, but I would not be positive.

Q. And as made up there were $79,354.85? A. Yes.

Q. Which included the sum of $4,000 for unwatering? A. Yes, I see it there now, that is right.

Q. Now that estimate was made up by him on the 20th of November, 1908? A. Yes, that is right.

Q. Now, at that time the tenders had been received? A. I do not remember that.

Q. Yes, tenders were received November 16, 1908? A. Well, I don't know when they were opened.

Q. The envelopes will show when they were opened, will they not? A. There is always a sheet initialled by the Deputy Minister stating when they were opened. It is a note by the Deputy Minister stating in whose presence they have been opened.

Q. Here is one—"Four tenders received herewith, Chief Engineer's estimate attached hereto, Appropriation, $75,000. Tessier, secretary. Dated November 20." and on the bottom of it is written on the same date, November 20, J. D. M., that is the Deputy Minister—return of cheques, retaining the lowest, and prepared report in council—that is November 20. A. Yes.

Q. Then the records show that these tenders were opened on the 20th November? A. Yes.

Q. And on the same day the Chief Engineer's estimate attached hereto was given to the Deputy Minister? A. I cannot explain, sir, how this was made. I see the memo. is written here on the 4th of November asking that the estimates be sent. That is a memorandum for the Chief Engineer: "Tenders for the head of Long Sault dam on the Ottawa River will be in on the 19th, will you have estimates prepared for that date." I cannot explain why it came is so late.

Q. Is it not quite evident that the estimate made by Mr. Perrault was not closed up until he got the figure of $4,000 as the price of the unwatering from Kirby & Stewart's estimate? A. I could not say, it is evident to me, I don't know.

Q. We will take these two or three things: Mr. Perrault on November 20 supplies an estimate—you have that before you? A. Yes.

Q. In which he fixes the sum of $4,000 as the price for unwatering? A. Yes.

Q. On that very same date the tenders are opened and Kirby & Stewart's tender gives $4,000 as the price for unwatering, that is a fact? A. Yes.

Q. And the tenders and Mr. Perrault's estimate are both placed before the Deputy Minister on the 20th of November together? A. Yes, just the bulk sum. The estimate is placed before the Deputy. The Chief Engineer never signs the detailed estimate.

Q. But I have just read about that, I have read to you that the estimate is placed there too? A. Yes, just the round number.

Q. Then we can make our own deduction as to that point. What I want to get at is this: You have already said that so far as you know Mr. Perrault had not made up any scheme or plan for the unwatering of that structure? A. So far as I know, no, sir. He never told me, or the engineers never advised me as to that.

Q. Then I want to come to this point; when your Department is considering the acceptance of tenders or the rejection, does it never have regard to the question whether these tenderers are asking a sum large enough to cover the execution of the work in the opinion of the Engineer? A. No, the estimate of the Chief Engineer is set as a basis for comparison, that is within a reasonable percentage of his estimate The tender is alway given to the lowest tenderer.

Q. But in such a case as the Chief Engineer has made an estimate of a certain figure in your experience has a tender ever been received very much lower than the estimate made by the Chief Engineer. A. Yes, in some cases.

Q. Have you known tenders to be rejected because they were so low it seemed apparent a mistake had been made? A. No, sir, I do not remember of a special case.

Q. Have you ever known a low tender to be rejected and a higher one accepted? A. No, not to my knowledge, I do not know of a case like that.

Q. Then we shall put it this way—A. Oh, excuse me—your last question was what?

Q. Have you ever known a low tender to be rejected and a higher one accepted? A. No, I have not.

Q. Then we will put it this way: if a tender is very much lower—have you ever seen tenders come in that were considerably lower than the estimate of the engineer? A. Yes, I think so.

Q. Then you ask the question, now is the engineer's estimate right or nearly right, and can these people possibly carry out the work for the sum for which they have tendered? A. Well, in answering that I will be obliged to speak for others, because I do not deal with the opening of the tenders at all. It is very seldom you see that I deal with the opening of the tenders.

Q. But Mr. St. Laurent, you have had in your position a great deal of experience with public works and tenders for public works? A. Yes.

Q. Now, we will leave outside what the practice has been, but as a principle don't you think that in the consideration of tenders whether they should be accepted or not, it is highly important to have before you a very accurate estimate from the engineer, as to what the work will probably cost? A. Yes.

Q. Because you might fall into this error of getting a contractor started on the work at a sum which is inadequate and consequently he would fail to carry it out? A. If you take my own opinion as to that I say that when a tender is called for and one is extraordinarily low in comparison with the estimate of the Chief Engineer there should be another estimate. The Chief Engineer should be asked to revise his estimate or to try and see if his estimate is very accurate.

Q. And then you will go further and say if this tenderer was still below what the engineer thought a proper sum, a close examination ought to be made into the financial ability of the tenderer to carry out his contract? A. Yes, this has been done by the Deputy Minister actually during the last few years. On the other hand, supposing a very high tender is received as compared with the estimate of the Chief Engineer, it is the practice now to refer the matter to the Chief Engineer. That is the practice of the Deputy, but of course I could not tell myself.

Q. Then all that leads to this, that in giving out tenders for work it is most important that you should have a careful estimate from your Chief Engineer? A. Certainly, very careful.

Q. Then he cannot make a careful estimate—I will put it this way, how in this particular case, could a careful and trustworthy estimate be made of this work without a scheme for unwatering having been decided upon? A. No, the Chief Engineer would have a very clear idea of the conditions.

Q. He ought to have? A. Yes, he ought to have. I do not know of course, he may have had.

Q. He may have had a scheme or clear idea of the conditions and not have told you? A. Yes.

Q. But in this case we know that the Chief Engineer did not make an estimate in reality at all, but it was made by Mr. Perrault? A. Yes, but that is always the case, the engineers in charge always send their estimate to the Chief Engineer.

Q. Mr. Perrault was not the district engineer? A. He was in charge of that design at the time.

Q. Of the dam? A. Yes.

Q. But he was a subordinate to Mr. Brophy? A. Yes.

Q. And he was not one of your superior or senior engineers? A. No, not in the same class as the district engineers.

Q. And certainly not in the same class as the Chief Engineer? A. No.

Q. Then the point is this: Of course the Chief Engineer can adopt Mr. Perrault's calculation and forward it to the Deputy Minister, who is nominally responsible for it, and who should check the figures? A. They should be checked, yes.

Q. So the liability for it is divided between Mr. Perrault and Mr. Lafleur? A. Certainly, the liability rests with the engineers as to the carefulness with which they prepared their estimates.

Q. When this work came into your hands at a certain stage did it not occur to you when you examined these tenders there was a most remarkable discrepancy in the scheme of unwatering in the minds of the tenderers? A. Yes, it struck me at the time, but I might explain that in receiving tenders especially when they are tenders for hydraulic work, some times the engineers make their estimates with unit prices, and make them higher than prices for ordinary work in order to cover the unwatering, leaving the unwatering aside as a particular item; in other cases they make their unit prices and supply one for unwatering, and in some other cases bids are what are called unbalanced. The tenderers put in low prices for some of the items and high prices on some others. They have, I presume, special reasons for that, for instance if they want to proceed with their work and have a little more money at the beginning, they would put high prices on some of the items which they are going to do at first and low prices on others.

Q. We will deal now with this particular case, comparing the four tenders that were put in for this wooden dam, Kirby & Stewart were the lowest in bulk sum and upon the whole what you call the lowest in unit prices? A. Yes, upon the whole.

Q. And consequently Kirby & Stewart were not having nearly such a margin to make up any shortage for unwatering as the other men were? A. No, they were the lowest tenderers on excavation.

Q. And they were the lowest tenderers on everything except the cement where they happened to be 50 cents higher than the lowest one? A. Yes.

Q. So with regard to them there is no reason to say they included anything in their unit prices to cover the unwatering, that is comparing their prices with the prices of the other men? A. I could not say as to that.

Q. Let me put it this way, then the other men were not only asking more for unwatering but more for unit prices? A. Yes.

Q. Precisely? A. Yes.

Q. So that when you saw that great variety of prices for unwatering, didn't you ask the Chief Engineer or any one else, what kind of unwatering or what form of unwatering are you preparing for? A. No.

Q. Well then, when you changed from the wooden dam to the concrete dam and the estimates were before the Deputy Minister and later on before Council—I mean the calculation as to what the concrete dam would cost, still the same price for unwatering as in the original tenders were continued? A. Yes.

Q. Well it is apparent now that the scheme for unwatering, a plant for unwatering ought to have been decided upon in order to estimate what it was going to amount to? A. I know that those details as far as I am concerned did not occur to me at the time.

Q. They did not occur to you at the time? A. No.

Q. Do you know whether at that stage anybody was asked to consider what cost should be allowed for unwatering? A. No, sir, I don't know. I don't think so.

Q. Won't you be frank enough to admit this? A. Well, I am frank.

Q. I know, you are very frank. I want to say also that we are not trying to implicate you—the responsibility may be some one else's, but I want to find the reason for this practise, which was, I do not hesitate to say, absolutely loose. I put this question to you: When the cost of a concrete structure was being considered do you know if anybody sat down to consider a report upon what would be the approximate cost of unwatering? A. I do not know it as a fact, the only thing I know is that Mr. Perrault was asked to give what would be the quantities in connection with the concrete dam, if I do remember right.

Q. The quantities? A. Yes.

Q. And figure up what it would cost on the figure prices given in the unit tender? A. Yes.

Q. I want to draw your attention now to your own letter dated February 3, 1909, and addressed to the Deputy Minister? A. Yes.

Q. Now in that you say on page 4: "As the dam will require about 10,000 cubic yards of concrete and unwatering, which are closely related, the different tenderers will be as follows:" and you give Kirby & Stewart's $89,000? A. Yes.

Q. And in that you allow only $4,000 for unwatering? A. Yes.

Q. And in the next you allow $20,000 for unwatering? A. Yes.

Q. Giving for unwatering exactly the same prices as before? A. Yes.

Q. They are quoting as the cost of concrete a price which included the unwatering the same prices as before? A. Yes.

Q You were there quoting as the cost of concrete a price which included the unwatering price that had been quoted by the tenderers for a wooden dam? A. Yes.

Q. Didn't that raise to your mind at once this question: Now here are the figures for unwatering for a wooden dam, but can we unwater for a concrete dam at the same prices, or what can we unwater for? Wasn't that question raised in your mind once? A. I don't remember, sir. I remember that I thought the $4,000 was very low, but I don't remember whether it occurred to me, in fact I don't think it did occur to me that the cost for unwatering might be different.

Q. Well, I am giving you an opportunity to put yourself right, as I think you need to do on this matter. Here you are an engineer, advising the Deputy Minister of Public Works, and pointing out to him what a change from wood to concrete would probably involve, and you are putting in as your calculation for the cost of unwatering the figures given in a tender for a wooden dam? A. Not my calculations.

Q. Well, the figures given in a tender for a wooden dam? A. At the time it did not occur to me that the unwatering might be different at the time, because I would not have put that in my memorandum if it had occurred to me.

Q. That is the answer, of course, that it did not occur to you. Then I take it for granted from that, that no one, neither the Chief Engineer nor any one else was asked to consider what the unwatering would cost for the concrete dam? A. I do not think so.

Q. Now, later on, away down in July, 1909, there was signed on the 22nd July, 1909? A. Yes.

Q. Specifications had just been completed in June? A. Yes.

Q. And did the plans and specifications completed in June set forth what would be necessary for unwatering? A. At the time these details did not come before me, but I do not think there is anything in the specifications.

Q. Do you remember that Kirby & Stewart were notified that they would have to do the unwatering? A. Yes, but I must explain myself. At that time I had not studied the thing myself. I had not been on the ground as engineer, I had no information to study and I had to take the figures as they came, and I never thought there would be such unforeseen difficulties as they have met.

Q. The engineer responsible for the plans and specifications would be Mr. Coutlee, who was in charge? A. Yes, he was in charge.

Q. In the regular course of your business in that department his report would come to the Chief Engineer, I presume? A. Naturally, the Chief Engineer.

Q. It would come to the Chief Engineer? A. Yes, sir.

Q. The Chief Engineer would be responsible for considering and accepting or rejecting these plans? A. Yes, sir, that is part of his duties.

Q. As Assistant Deputy Minister you have really nothing to do with that part of it at all? A. No, not with those details, sir.

Q. Your duties simply require that you shall be the next stage above him—the Chief Engineer would report to whom? A. He reports direct to the Deputy Minister.

Q. And your duty is simply to assist the Deputy Minister with regard to engineering work of one kind and another? A. Yes, I don't know exactly how I could state what my duties are, but if I may say it in common terms, a Deputy Minister unloads on my office lots of work.

Q. I want, in fairness to all, to find out where we can properly place the responsibility in this particular case. We know Mr. Coutlee did make plans and specifications, and we assume that they did go before the Chief Engineer, is that the case? A. Yes.

Q. Now when the consideration came, whether the contract should be given to Kirby & Stewart for a concrete dam, was the Chief Engineer asked to report in any way upon the adequacy of the price which it was proposed to give Kirby & Stewart for building that dam? A. Well, I do not know that Chief Engineer was asked particularly, because this was to be be a unit price contract. It might cost less or more than the bulk sum mentioned.

Q. But it would be a unit price contract with regard to unwatering? A. No, the unwatering would be for a bulk sum only.

Q. And if the unit prices for the work were fair and reasonable and if they were entirely too low for the unwatering, they were bound to meet a heavy loss? A. Yes.

Q. As a matter of fact isn't that just what occurred in this instance, that they fell down in their contract in practice because the unwatering was costing so much more than was estimated? A. Yes, that is what took place, on account of the unforeseen difficulties. The engineer might be very far from the correct estimate in this particular case, because there were so many unforeseen things that might happen.

Q. But I am pointing out to you that from the beginning to the end the engineer never made an estimate for the unwatering, that $4,000 which Mr. Perrault puts into his calculation as the estimate for the unwatering for a wooden dam was certainly not an estimate, but a mere borrowing of figures from Kirby & Stewart? A. I cannot tell as to that.

Q. We will call Mr. Perrault to prove that himself. Do you know whether the Chief Engineer was ever asked to give an estimate to the Department of what the concrete dam would cost in the location in which it was ultimately decided to put it? A. That was asked—that estimate came through the Chief Engineer from Mr. Coutlee. You don't mean the unwatering alone?

Q. No, the whole estimate—now we will get down to it? A. I produced a pencil copy of the estimate which was made showing what a concrete dam would cost at the prices quoted in the original tenders and on the quantities which were supplied after the specifications for the concrete dam were completed.

Q. Who supplied you with the quantities for that circulation? A. Mr. Coutlee.

Q. You got those quantities from Mr. Coutlee? A. Yes.

Q. And in that calculation you still continue the unwatering at the prices which were in the original tender? A. Yes, sir, as part of the contract.

Q. As part of the original tenders? A. Yes.

Q. I am speaking of all the others as well as of the one? A. Yes.

Q. In Kirby & Stewart's, whose contract at the time this memorandum was made up, the unwatering is placed at $4,000? A. Yes.

Q. And for the purpose of comparison with the other tenderers you still continued to put in the higher sums which they had quoted for unwatering? A. Yes, just as they were in the tenders.

Q. And in making up that estimate you still did not take into consideration the question of what amount of unwatering would now be necessary? A. No, I always had in view to quote their prices.

Q. But the adequacy or otherwise of the prices quoted for the unwatering from first to last was never considered so far as you know? A. From first to last.

Q. The adequacy or otherwise of the prices quoted by the different tenderers for the unwatering was never considered so far as you know from first to last? A. It was not, no, especially at the beginning.

Q. In July 1911, there was a report signed by you and Mr. Coutlee. Why was Mr. Coutlee asked to sign the same report as you? A. Because we had discussed the matter together on the instructions of the Minister. I think that was after the contractor came to see the Minister, and the Minister asked us to discuss the matter and see what could be done, so the matter was discussed thoroughly with Mr. Coutlee.

Q. That is between Mr. Coutlee and yourself? A. Yes.

Q. And who else? A. I guess there was an interview with the contractors in my room, and previously there had been an interview between the contractors and the Minister into which the Minister called me.

Q. Was Mr. Coutlee present at that interview? A. No, the Minister called me in and referred the matter to me.

Q. Did you and Mr. Coutlee discuss the matter with the Deputy Minister? A. With the Deputy, oh yes, sir. I could not speak positively about that, but I think it was discussed with the Deputy Minister, but all the details were discussed between Mr. Coutlee and myself, and we came to certain conclusions, and those conclusions were written up.

Q. We have had considerable evidence offered here that the change of site, particularly on the Quebec side where the dam has been placed or started down on the rapids, instead of at the head of the rapids where the wooden dam was to be placed, was an unwise one. Now who was responsible for the decision as to the location—who made that decision? A. The Engineers investigating, Mr. Coutlee and Mr. Matheson were working there.

Q. Mr. Coutlee was the Engineer in charge? A. Yes, when the investigation started.

Q. Now, as a matter of fact was his decision on that subject considered and reported so far as you know by the Chief Engineer? A. No, sir.

Q. It may be said to have been accepted because Mr. Coutlee reported it? A. Yes, that is generally the case.

Q. You did not consider it yourself? A. No, I did not consider it myself.

Q. Mr. Lumsden, a practical lumberman and one of the tenderers there says that placing the dam down the rapids has not only increased the difficulty considerably, but, having regard to the drives of logs which must take place through there, it has greatly increased the difficulty of handling the logs? A. It has, because the provisions for the handling of logs are not complete yet. I understand that Mr. Coutlee has had in mind a provision for logs.

Q. He goes so far as to say that any provision that is made for the logs must necessarily be expensive and involve a continuous watch. In any case that feature of it was not considered by you? A. No, I could not go into those details.

Q. You would not be responsible for that decision? A. No.

Q. It was made in the way you have described? A. Yes.

Q. As a matter of practice, where an Engineer in charge of a work reports as Mr. Coutlee did a change of site and location the Chief Engineer receives that and passes it, is there no inspection from the top in case of the revision of a plan, or is the decision of the Resident Engineer final? A. Generally the Resident Engineer's plans are accepted, but sometimes there has been a revision, that is why I have told you already I was in favour of an Engineering Board, to control all contracts and plans and specifications when they are received in the Chief Engineer's office. He has no time to look into the details of the specifications, or details of plans, whether they apply correctly to the decisions or not, and there should be an Engineering Board to look into all those details.

Q. I am glad you mentioned that. We are very much impressed here with the need of some board of control, we will call it, or supervision, or criticism, upon all kinds of public works that are proposed, because we find that the District or Resident Engineers or the Engineers in charge, report certain things to the Department, and nominally the Chief Engineer is responsible for that. He can of course look at plans which came before him very well, but he does not know the locality and the surroundings. Now, is not the practice a terrible loose and weak one as at present obtains? A. Yes, with the increase of works during the last few years it has become utterly impossible for the Chief Engineer's office to control all details of the public works.

Q. And that is an increasing difficulty? A. Yes, every year the rush of work we have—well, no one has any idea how we are rushed.

Q. Your office staff, above the Chief Engineer, ought not to have any responsibility for designs or anything like that? A. No, I cannot say.

Q. And you say the Chief Engineer's Office, as at present constituted, is not able to grapple with it? A. That is my opinion.

Q. And your opinion ought to be very valuable. And all scattered over the Dominion everywhere, the public works are being initiated and the Resident or District Engineers are reporting and the Engineer's Office practically has to take those reports and act upon them without supervision? A. Absolutely. The Chief Engineer nor his Assistant have time to go and see these works. There should be some one from headquarters to visit the works from time to time.

Q. And should have a supervising or classifying staff of very able men? A. Yes,

Q. Who would have nothing to do but go out and examine these works before they are commenced and after they are commenced and when they are completed? A. Yes, the contract plans should be referred to them. Then they should be empowered to go on the ground themselves with the District Engineer, and after the District Engineer has been there and say if his deductions are right.

Q. Mr. Lafleur, the Chief Engineer, is now ill? A. Yes.

Q. And has been at home for some time? A. Yes, for quite a few weeks.

Q. Has his health been more or less bad for a good while? A. Oh yes, for the last three or four years.

Q. Has it kept him away from the office a great deal during that time? A. Yes, it has.

Q. Well, that must interfere very much with the continuity of his work while he is there? A. Well, it does a great deal, but there is a very good secretary there and sometimes he takes the papers and goes to Mr. Lafleur's home to explain matters to him and have his opinion and have papers signed, and that remedies the difficulty to some extent, but it is really undesirable.

Q. Who is the man next to Mr. Lafleur in his office? A. The next man is supposed to be Mr. Dufresne, the Assistant Chief Engineer, but he is placed in charge of all dredging, and we find that the dredging has enlarged so much that he has all he can do to handle the dredging.

Q. So that as Mr. Dufresne is entirely taken up with the dredging, Mr. Lafleur has not got an Assistant Engineer as a matter of practice in dealing with a matter except the dredging? A. That is so.

Q. Mr. Dufresne was before us yesterday in connection with dredging, and he told us the same thing? A. Yes.

Q. Now besides Mr. Dufresne, who would look out for the work of the Chief Engineer when he is not there? A Principally the Secretary.

Q. The Secretary to the Chief Engineer? A. Yes, the Secretary of the Chief Engineer.

Q .What is his name? A. Mr. Sommerville.

Q. Is he an engineer? A. No.

Q. Then practically when the Chief Engineer is absent from his office, leaving out the dredging, there is no one in the office who is an engineer to deal with such things? A. No one all the time. Mr. Valiquette, one of the engineers at headquarters, signs documents for him but he has outside work to attend to and he may be away a week or so.

Q. That must be a serious state of affairs? A. It is a handicap no doubt.

Q. Not only is Mr. Lafleur, when he is ill, not able to deal with matters, but a man who is absent must spend a good deal of his time, when he is there, catching up with matters which he has forgotten? A. Yes, it is a handicap. It is unfortunate for him, of course. You know, I tell you things exactly as they are; I do not want to reflect on Mr. Lafleur.

Q. No, but unfortunately, we have to ask questions and you have to answer them. You are on oath and you cannot do anything else but answer the questions. He is not to blame for his health.

Examined by Mr. Ducharme:

Q. You were asking for tenders for this wooden dam, Mr. St. Laurent? A. Yes.

Q. Was there any estimate prepared before the tenders were asked for? A. Well, it has been shown here that the estimate came in to the Deputy on the 20th of November, 1908.

Q. Were they made in October? A. Well, I cannot say exactly when they were made. I know the estimate was asked from the Chief Engineer on the 4th of November.

Q. Well then, that was after the advertisements were put in the paper? A. Yes, it was advertised at that time I suppose. I could not say if the Chief prepared his estimates in October or November.

Q. At all events, they were prepared after the tenders were advertised for in the newspapers? A. I could not say.

Q. Who put in the advertisement for tenders? A. Well that is the Secretary.

Q. Which Secretary? A. Mr. Desrocher.

Q. Of your Department? A. Yes, he attends to the advertisements. But the estimate that is to be sent to the Deputy, is asked only when the tenders are opened.

Q. How is it about the deposit? You ask for a deposit, do you not? A. Yes.

Q. Ten per cent or something like that? A. Yes, the cheque must accompany the tender.

Q. When you ask the cheque how do you get at the amount of the cheque? Do you base it on the tender, if he must pay so much per cent of the tender? A. Sometimes it is a bulk sum and sometimes it is a percentage.

When it is a bulk sum on what is it based? A. It is based on the fancy of the District Engineer or the Chief Engineer. He might base it on what he thinks pretty near ten per cent, or if it is a very large work he may make it only five per cent.

Q. But when he makes it a bulk sum like that, when you ask for tenders in your advertisement you put in bulk sum. That bulk sum should mention it or fix the amount in some way? A. If we ask for a bulk sum tender, and if a deposit is asked equal to ten per cent of the bulk sum, the contractor himself decides as to his figures.

Q. That is not what I am asking you. I am asking you when you are calling for tenders and specifying in the tenders that such an amount, an accepted cheque for such an amount must accompany the tender, who fixes the amount? A. The Chief Engineer's Office.

Q. The amount is fixed by the Chief Engineer's Office? A. Yes, fixed by the Chief Engineer's Office.

Q. So that in this case you were asking for eight thousand dollars as the deposit, and that amount was fixed by the Chief Engineer? A. Yes, by the Chief Engineers' O..ce.

Q. Now you were calling for tenders and I see in your testimony that the clerk who usually prepares that left that clause about the bulk sum in; there was a special clause about quantities and prices and he left in the advertisement the clause for the bulk sum? A. Well that was explained to Mr. Lake about the bulk sum. That appears on the blank form.

Q. Yes, and you say that by error it went to the Printing Bureau like that and that those things never come back to you until they are advertised. It was only then it was noticed that the clause with their bulk sum was left there? What do you mean by that? Do you mean that you only noticed that they were asking for a bulk sum when you saw the advertisement? A. After the tenders had been received, that is what I meant, after the tenders had been received.

Q. They were received on the 18th of November, 1908? A. Well, I mean when they were referred to me. I do not open the tenders myself.

Q. When would they be referred to you? A. I could not state the date.

Q. Well just about, about the time they would come in would it be? A. Yes, about that time or a little after.

Q. Now, you said in your testimony that if the dam had been made where it was first intended to be, the unwatering could have been done at a relatively low cost by making cribs for the coffer dam and that a part of it would have been done without a coffer dam? A. I mentioned a possible way of constructing the wooden dam, if I remember well, by making cribs, and whether I added that then they should be made water-tight and the material taken out and then filled in with concrete, I mentioned this as a possible method.

Q. I thought you meant for the wooden dam? A. Yes, for the wooden dam.

Q. But would the same explanation apply to the concrete dam? A. Yes, it is a possible way of sinking cribs. It is a possible way of building a concrete dam by cribs, making them water-tight, sinking them to the bottom, and then starting to excavate, and the cribs are loaded and they go down and down.

By the Chairman:

Q. That is for wooden dams? A. Yes, for crib sinking you see. I don't think I said it would be cheaper because I couldn't know, they would have to be made water-tight.

By Mr. Ducharme:

Q. We were asking you if four thousand dollars for the coffer damming of that first wooden dam would be sufficient and you explained that it might have been sufficient if they had proceeded in such a way? A. Yes, in such a way as sinking their cribs like that.

Q. What I want to know from you is this: that method you were speaking of, would it be applicable to the concrete dam as well.

By the Chairman:

Q. You couldn't sink a concrete dam in that way. Could you build a concrete dam by sinking your cribs? Of course you couldn't, you would have to unwater and put your concrete down to the bottom? A. Yes.

Q. You couldn't do it the same way as you could a wooden dam? A. Not exactly, no, but I must qualify that. I did not study the conditions, and whatever I may have said was only on the spur of the moment. There is a way of building concrete by sinking cribs, caissons, making them water-tight, excavate the material, and the caissons are loaded down and they go down and you fill the caisson with concrete and it forms the concrete. In that case it must be very strong.

By Mr. Ducharme:

Q. You have to unwater? A. Yes.

By the Chairman:

Q. After the coffer dam is down? A. There is no separate coffer dam. The caisson itself is the coffer dam. It is made water-tight and sunk and you excavate the material, and then you unwater the caisson and fill it in and that takes the place of the coffer dam.

Q. That would be more expensive? A. Yes, it is a very expensive method.

By Mr. Ducharme:

Q. Now, Mr. St. Laurent, do you know when the Engineer in Chief makes the approximate cost of the whole works, that he takes into account these accessories such, as in this case the unwatering? A. He does not make a detailed estimate of cost himself. He leaves that to the District Engineer.

Q. Does he take that into consideration? A. Well, I would rather he would answer that himself.

Q. If I go to your Department and ask you how much a dam is going to cost, he takes the plans and makes a calculation and tells me the cost, and in doing so will he put into that cost anything else than the exact dam, in his estimates? A. If you ask an estimate, I will give an estimate of what I think it will cost, taking every consideration, that is, taking into consideration everything of which I have knowledge.

Q. But in this case what the engineer had before him was the plans? A. Yes, all he had was the plans and the estimate sent by the engineer and the specification.

Q. How could he prepare an estimate for the unwatering, when he doesn't know it? A. Well, that came from the District Engineer, that estimate, and he took it from the District Engineer. He is the engineer who has studied the question.

Q. Supposing the Minister——A. Well, I cannot answer it perhaps what you like, because I cannot say what the Chief Engineer does every time he receives an estimate.

Q. Well, if you don't know, say you don't know. I want to find out whether, when an estimate is asked from an engineer, if he bases his estimate on anything else than the plans that are shown to him or that he has prepared himself. Do you know, yes or no? A. I don't know how he makes it.

Q. But you have seen estimates done before; you have been an engineer for twenty years? A. Yes, I have made estimates myself.

Q. How do you make them? A. I make plans and specifications and take the quantities and try to foresee as much as possible the difficulties that will be met with and make my prices accordingly and arrive at a certain sum which I give as the approximate cost of the work. It is always only approximate when we make an estimate.

Q. But I mean to say, do you take into consideration anything else but what you see before your eyes on these plans? A. If I make estimates based on plans I must have made the plans myself and studied that ground myself. If I make a detailed estimate—

Q. But if you have not been on the ground? A. In that case, we have to trust to the estimate of the engineer who has been on the ground.

Q. If there is no estimate from the engineer you make it yourself? A. Well, the duty of the Chief Engineer is to ask the District Engineer who went over the ground to make the estimate, but I do not know whether he does in every case.

Q. But if you are asked to make an estimate yourself, and you had not seen the ground and had no details given, what would you do? A. I would do the best I could to make a good estimate, approximate figures.

Q. Would you just take into consideration what you have before your eyes? A. If I was asked to make an estimate on plans and specifications before my eyes, I would do my best to give an approximate estimate, but I could not say whether it would be right or wrong.

Q But that is what you would do? A. Yes, if I was asked to do so, but I would not desire to do so.

Q. You said you had an interview with the Minister the day previous to the day you had one with Mr. Coutlee? A. Yes.

Q. Do you remember that just a moment ago? A. The Minister called me in, yes.

Q. Will you tell us what happened there? A. The Minister called me in, and the contractors, Messrs. Kirby & Stewart were there, and they were talking about their claims for the Timiskaming Dam. This was explained to my by the Minister when I arrived there.

Q. Can you give the date of that? A. No. I cannot say the date.

Q. Well go on? A. And they explained to me what they were claiming, which I explained before. They were complaining about the classification they were receiving, the classification the engineers were giving them in their estimate, and were claiming higher prices for that, and this unwatering was one of the items, and there was another small item I think, but I don't remember it. Anyway I called the Minister's attention to the fact that according to the contract they were not entitled to anything. The Minister asked me to consider the matter in equity, that they were losing money and he discussed the matter very fully with the contractors and asked me to consider the matter very fully and to report, which I did, so I tell you frankly what happened.

Q. The question regarding which they called you there was to estimate the amount of their claim with regard to excavation? A. Yes, and unwatering, but I was just telling what happened as you asked me.

Q. You saw the initials of the Minister on the tender of Messrs. Kirby & Stewart for that work? A. Yes, I think I remember having seen some initials.

Q. Is that ordinarily done? A. Oh yes, the Minister——Will you show me the initials there? Yes, these are the Minister's initials, the initials of the Minister at that time.

Q. Then those initials on this tender would be a justification to you to act, would be an authority to act? A. Not in this case.

By the Chairman:

Q. What do the initials signify? A. They signify that the Minister has either opened the tenders with the Deputy or that the Deputy has shown them to him and he has initialled them all, I think.

Q. He has put his initials on each one of the tenders? A. Yes.

Q. Then it could only signify that he has seen the tenders? A. Yes, in that case, that is all it could signify.

By Mr. Lake:

Q. Who are present when tenders are opneed? A. Well, generally they are opened by the Deputy Minister and the secretary, sometimes by the Minister and the Deputy Minister, most often, as a regular routine now, they are always opened by the Deputy Minister and the Secretary. Two or three years ago the Deputy used to call me in sometimes to open the tenders but he has not done so for a long time. He always calls in the secretary.

Q. Is there a regulation that there must be two permanent officials present? A. Yes, always.

Q. And occasionally also, the Minister is present in addition to those two? A. Oh, yes, occasionally; well, no, if the Minister opens the tenders it is the Deputy with him only. There would be no other official probably, only two are required.

By Mr. Ducharme:

Q. I noticed that the estimates for the cost of the first dam, to be made of concrete, amount to $108,582? A. Yes.

Q. This is signed by Mr. Perrault? A. Yes.

Q. Will you say what amount is put in that estimate for the coffer damming? A. Unwatering, $6,000.

Q. Will you explain to me how it was reported to the Minister at $4,000? A. Because this is the estimate of the Engineer. The tender of the contractor was $4,000. He uses the figures in the tenders for comparison. This is only the estimate of the Engineer.

Q. Well, what was the amount mentioned in the memorandum to the Council? I mean to say who made the amount mentioned in the memorandum to Council? A. I made the memo. myself, sir, but based on the tenders. I had to use the tenders as documents of comparison between the different tenders. I could not use the different figures given, that was only an estimate.

Q. That was an estimate made on the 14th of January? A. The comparisons we gave are based on the tenders received.

Q. How can you explain to me that these estimates, being made by the Assistant Engineer of Public Works, that is what he signs himself, based on the plans, amounted to $108,582, and that your calculation based on the same plans and quantities, with $2,000 less for the unwatering, amounted to just $400 less? A. Well, I don't know, I couldn't explain that now.

Q. You can look at that and tell me? A. Well, it is practically the same.

Q. But you have $2,000 less for unwatering than he has. We can see where the difference comes in, but I do not see how you can make such a difference if you base on the same plans and the same quantities? A. Some figures are not exactly the same, some things are only rounded up—it is only an approximate plan.

By the Chairman:

Q. You put $1,000 more for excavation, there is apparently $1,000 there? A. Well, I may have changed something there that I thought should be changed. That

is all, but they are practically the same. I cannot remember how all the differences occurred, but anyway it is almost the same. I wouldn't change his figures.

By Mr. Ducharme:

Q. This is based on the tenders put in? A. I don't think it is based on the tender put in, no.

Q. Of course it is. These are the prices of Mr. Kirby. These calculations are made from the unit prices made in Mr. Kirby's tender.

By the Chairman:

Q. It is quite obvious from comparing these prices with your memorandum that you took the lump sums for this? A. It was for items which were not covered in the contract. There are small items that were lumped.

Q. For instance, you put in rails and winches $1,000, a lump sum, instead of $560 as it appears in the other place? A. Yes, I just put an estimated lump sum. It was more the calculations that were changed, and that has made a little difference.

By Mr. Ducharme:

Q. I notice that you made this estimate—he put $2,000 more for the coffer dam than you did, did you notice that? A. I don't think I did, but I don't remember.

Witness retired.

OTTAWA, WEDNESDAY MORNING, February 28, 1912.

PRESENT.

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

The Examination of JOSEPH M. CHALIFOUR, recalled.

Examined by Mr. Ducharme:

Q. Mr. Chalifour, you have been examined here before? A. Yes, sir.

Q. Will you tell us again, how when you went to the office of Messrs. Kirby & Stewart to check the accounts, you proceeded? A. We did not go to Mr. Kirby's place. We had a room set apart in the Rosenthal building, where we met. Neither Mr. Kirby nor Mr. Stewart was present. The book-keeper or general man over the job was there.

Q. What is his name? A. Soper. He was present as representing the firm. The Auditor-General was present, Mr. Coutlee was present, the Engineer in Charge, Mr. Donnelly was present, C. A. Douglas of the Auditor's Office was present, and myself. We did not agree, Mr. Soper and us as to the terms of the agreement. He claimed—

By the Chairman:

Q. Contained in the Order in Council? A. Yes, he claimed we had nothing to do with the mode of settlement, that all we had to do was to examine whatever vouchers they were ready to submit. When we saw that we could not come to an understanding, Mr. Coutlee and Mr. Donnelly went back to Timiskaming and to give them satisfaction Mr. Douglas and I went through their vouchers and examined every voucher that we saw.

Q. You did not go through their books? A. No, we did not go through their books. We examined their voucher books. They have one voucher book which is supposed to contain every expenditure that they have made in connection with the contract.

Q. And then from that voucher book did you make up an account as you went along or check the accounts as they gave them to you? A. We simply checked every voucher as entered and as represented.

Q. And there was an account before you containing the amount? A. Yes.

Q. Rendered by them? A. Yes, the account received by them, and the check, the paid check or paid draft.

Q. That was supplied to you on sheets of paper, the amount of what they had paid out was supplied to you on a sheet of account paper? A. Let me make that clear Mr. Chairman. The voucher book, every account is entered there in the voucher book.

Q. Yes' and then to check this they produced the original accounts acquitted? A. Yes.

Q. And the original cheque to pay them? A. Yes.

Q. And did they submit to you also an account, either in a book or on a piece of paper totalling this up? A. The total was made up at the bottom of each page of that voucher book, and the total of the voucher book is to be found on their claim.

Q. Well then you found that so far as their vouchers went they showed the expenditure which they claimed in the Department? A. Yes, less some amounts for interest.

Q. Less some amounts for interest? A. Yes, and we could calculate that.

By Mr. Ducharme:

Q. Were these accounts paid as they came in or at separate times? A. Well, some of them were paid inside thirty days and they got their discount. Others were paid or partly paid, a draft would be drawn on the firm for $10,000 and they would pay $3,500 on account of the draft and give their note for the balance, and later on it would be taken up, or something would be paid on account of the note, and I think one of the accounts was allowed to run for about a year or so, that was an account for $10,000 with the Mussen Company. It was paid by instalments, three or four payments I believe, if I remember correctly.

Q. What about the wages? A. The wages—at the end of the month a pay sheet was made in Timiskaming, and then the Company, the partners, issued a check for the pay sheet and the men were paid out of that. Of course, like any of these big contracts, when you handle a big gang of men, you have some that do not wait until the end of the month, for one reason or another, and you have to keep an account of them, some petty cash to pay off those jumpers.

Q. In this account of wages was there any salary entered for Mr. Kirby or Mr. Rogers or any of their departments? A. No, sir.

Q. You are positive of that? A. To the best of my knowledge.

Q. Was there any salary paid to Mr. Rogers? A. No, not that I know of.

Q. How did you check the timber that may have been bought from people up there? The accounts for timber, or rather the payments for timber, because there would be no accounts, in many cases. - - - A. Yes, the payments for timber.

Q. Yes? A. Well, you see the firm supplying the timber would send in their account and the cheque in payment for that amount would be attached, the paid cheque would be attached to the account. We did not go into the particulars of checking on the amount of timber. I think it would have been too late for us to do so at the time as the work was done.

By the Chairman:

Q. You simply checked the voucher which showed that the parties had been paid for it? A. Yes.

By Mr. Ducharme:

Q. Was all the timber used on that dam bought from firms according to vouchers, would it all be bought from firms or would some be bought from individuals?

By the Chairman:

Q. Some might have been bought from individuals, I suppose, Mr. Chalifour? A. Some might have been bought from private parties but I do not remember as to that.

Q. If there was, you did not pass it unless there was a receipted bill? A. Exactly.

Q. There were no amounts paid except by cheque? A. No, all by cheque.

Q. Excepting the wages? A. There were cheques for the wages, too.

Q. As far as your work was concerned, what you did was to verify that there was nothing paid except by cheque? A. Well, yes.

Q. And the extensions were correct? A. Yes.

Q. As to the value of the goods you had nothing to do with it? A. No, of course I took a look into the prices paid and they were the ordinary regular prices that are paid everywhere.

By the Chairman:

Q. I suppose one thing Mr. Ducharme is trying to get at is: you did not go behind the voucher or cheque to see whether an individual really existed and had really been paid that amount? A. No.

Q. You took it that the receipts were in good faith and that the cheques had been really issued? A. Yes.

Q. You saw that they had been issued and paid? A. Yes.

Q. And you took it for granted that they had been issued and paid to individuals in payment of a real account? A. Yes.

Q. You did not take any means of finding out whether there were bogus payments for bogus accounts? A. No.

By Mr. Ducharme:

Q. And you don't know whether those goods for which you saw the cheques or vouchers had been delivered there or elsewhere? A. To the best of my knowledge all goods were shipped to Timiskaming, and all accounts rendered or paid, the destination shown on the bills was Timiskaming.

By the Chairman:

Q. But you did not take any steps to find out whether goods billed for Timiskaming were actually received there and used? A. No.

Q. The bill has not been paid yet so far as you know, the disputed bill by Kirby & Stewart? A. No.

Q. Do you remember an account of $33,000 that was paid to them some time ago? A. Well, if you will remember about the date perhaps I will remember.

Q. December 26? A. That was paid on account of plant.

Q. Was there any difficulty about the payment of that amount, any objection on the part of the Auditor General? A. No, not that I know of.

Q. No objection whatever? A. No.

Q. Are you sure of that? A. Not that I am aware of.

Q. Haven't you yourself been busy about fixing the payment of that account? A. I have nothing to do with the payment on the plant. The payment on the plant was made on the authority of an Order in Council. The Department employed an expert for the valuation and his valuation was accepted by the Department and the payment followed naturally.

Q. There was no discussion about it? A. No, there was no discussion about it, no.

Q. Do you know anything about a payment of $48,000? A. Yes.

Q. Was there any difficulty about that payment? A. Well, it was held up for a while, for a certain time it was held up.

By the Chairman:

Q. By whom was it held up? A. The Auditor General refused the payment of that. Afterwards he changed his mind and passed all those accounts.

By Mr. Ducharme:

Q. And do you know why he objected? A. I think you will see in the file the first objection was that Council had not the right to practically change the terms of the contract.

Q. Outside of the Auditor General had you communication with anybody else about this? A. Well, I have talked of the case to the chief auditors of the Department, as a matter of business with the Department.

Q. Did you speak of this outside of your Department, did you speak to the Deputy Minister about it? A. Yes, naturally.

By the Chairman:

Q. That is the Deputy Minister of Public Works? A. Yes.

By Mr. Ducharme:

Q. What did he say about it? A. He was in favour of payi ng that and I remembre at one time he told me to send the accounts to the Auditor General and let him take whatever action he wished on that. He said to get that out of the Department.

Q. Was he finding fault with the Auditor General? A. No.

Q. Did you speak to Mr. St. Laurent about it? A. Yes.

Q. On the same lines? A. Yes, I have several times talked about the accounts, and that particular account, the unwatering, with Mr. St. Laurent.

Q. As far as you know there was nothing irregular? A. As far as I know there was nothing irregular in the account.

Witness retired.

Commission adjourned until the afternoon.

OTTAWA, WEDNESDAY AFTERNOON, February 28, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

EXAMINATION OF JAMES B. HUNTER, Deputy Minister of Public Works.

Examined by the Chairman:

Q. How long have you occupied that office, Mr. Hunter, of Deputy Minister of Public Works? A. I was Acting Deputy Minister from the 1st of January to the 1st of July, 1908, when I was appointed Deputy Minister.

Q. You signed an agreement on behalf of His Majesty, with Kirby & Stewart, dated the 15th of October, 1911, relating to the Timiskaming Dam? A. Well, I presume so, I do not remember the date but I sign all the contracts.

Q. Did you sign that agreement or any direct instructions? A. On the authority of an Order in Council.

Q. There has been an Order in Council passed in August, 1911, authorizing the taking of this work off the hands of Kirby & Stewart? A. Yes.

Q. And in pursuance of that Order in Council, this contract which I have referred to was signed in the month of October? A. I thought you referred to the first contract, that is the supplementary one.

Q. Now that is the contract of last year taking the work off their hands? A. Yes, but we had spoken of that always as an agreement with them, following the Order in Council taking the work off their hands.

Q. Then, we will use that form, an agreement and contract are the same thing in law; however, we will call in the agreement made on the 15th of October. Did you sign that contract in pursuance of any special direction, Mr. Hunter? A. I think the way it came about was this, that the Order in Council was secured and then the contractors requested the Minister to have the Order in Council put in the form of an agreement, which he said he had no objections to do, and authorized me to sign this agreement, following the terms of the Order in Council.

Q. I want you to be particular about this, because between the passing of the Order in Council in August, and the signing of this agreement in October, there has been a general election? A. Oh, yes.

Q. And a change of Government was going to take place soon after this agreement of October was signed? A. But that agreement was signed before the late Government went out of office.

Q. Before it actually went out of office? A. Yes.

Q. But in view of the fact that the change had taken place, I assume you would not have signed the contract, even though the Order in Council had been passed, unless you had some special direction to actually sign it? A. As I say, the contractors asked the then Minister to implement the Order in Council by an agreement in the same terms, which he authorized me to do.

Q. Do you know when you got that authority? A. Just generally—they were going backwards and forward.

Q. Was it before or after the election that you got the authority? A. Well, I think it would be after.

Q. Probably not long before you signed the agreement? A. No, just time enough to have the agreement prepared.

Q. Who drafted that agreement? A. I got it from our Law Clerk.

Q. You got it from the Law Clerk? A. Yes.

Q. That is Mr. Chasse? A. Yes.

Q. Who has appeared as a witness? A. Yes.

Q. Now, we noticed in one particular place, whether it may or may not be important, the punctuation which appears in the Order in Council is not followed in the contract. I just draw it to your attention—will you just glance at the Order in Council, at these words in the Minister's conceding recommendation:—

> "Also, that the work already executed which may be considered as absolutely necessary be paid for at its actual and reasonable cost."

Now, you will notice that in those words there is no punctuation in the Order in Council, whereas in the agreement it reads this way:—

> "That the work already executed, which may be considered as absolutely necessary, shall be paid for at its actual and reasonable cost."

You notice the punctuation, now I am drawing your attention to the fact that there are two commas there? A. Yes, I presume this was copied correctly.

Q. Do you know whether that punctuation was drawn to your attention at the time you signed the contract? A. No, there was no matter of that kind brought to my attention.

Q. You did observe it, then? A. No, sir.

Q. And if that difference in punctuation changes the sense and meaning of the words, you have not observed it up to the present moment? A. That is correct.

Q. The form of the punctuation of the contract then would be the work of the law clerk? A. Yes.

Q. So far as you know, he alone would be responsible for it? A. He is to be responsible for the contracts.

Q. But it may or may not have been the result of instructions from some one—you don't know? A. No, I don't know.

Q. The distinction may be this, that in the present form, with the commas in, these words: "which may be considered as absolutely necessary" might be taken to be an admission of the fact that the work is considered as absolutely necessary, whereas in the other form it might be said that it was conditional? A. We have that in our own hands though.

Q. You think you have the question of interpretation in the hands of the Department? A. Yes.

Q. How? A. Well, I will carry out what I consider to be my interpretation of that contract.

Q. If the Council had power to pass that Order and your Department had power to make that contract, the contractors can sue you in the Exchequer Court? A. Not unless we allow them to.

Q. Upon the question of interpretation you cannot refuse, and you would not refuse? A. I think we would. You cannot dispute that.

Q. I never heard of a case of refusing a fiat on a question of recommendation? A. I would refuse to recommend a fiat, if that was not the interpretation intended.

Q. If it did not agree with your interpretation? A. If it was not the interpretation and was not intended, surely.

Q. Now, let your mind go back to the first tenders that were received for the wooden dam, at the end of 1908. We have evidence here that the tenders were received and opened on the 20th of November. The contractors say that early in November they were informed that their contract would be accepted and were told to get busy in ordering timber, which they did. Do you know who told them that? A. I have no knowledge of who told them.

Q. Had you any knowledge that they had ordered the material? A. No, nobody could tell them before the tenders were opened that they were the lowest tenderers.

Q. Well, they don't say that they were told before the tenders were opened—they say they were told early in November, and the tenders were opened on the 20th? A. Well, that would not be early in November. They might have been told after the tenders were opened that they were the lowest.

Q. Could they be told that their tender was accepted? A. No, not until the Order in Council was passed.

Q. Which did not pass until January. I find on the 28th of November, 1908, the Minister's memorandum was dated, but it did not become an Order in Council until the 18th of January. Of course you can only speak from your own knowledge, and I am only asking that, but as Mr. St. Laurent has given, as a reason why in January it was desirous to give the same men the contract for the concrete dam, they had already entered into engagements to obtain timber and other material? A. Yes.

Q. Well, if they had entered into engagements, had you given them any authority, either verbally or otherwise to do so? A. I could not.

Q. You could not legally? A. I never have done anything that I could not legally do.

Q. You are not attempting to make any distinction as to my words? You are not attempting to quibble when I use the words "give authority"? A. No, I said I could not give authority, and I never do.

Q. But would you tell them to go ahead with the work? A. I would not, that is equivalent.

Q. In your mind that is equivalent to giving authority and that is what you mean when you answered that last question? A. Why certainly.

By Mr. Lake:

Q. I want to know whether it is your custom to call for tenders before you have the authority to enter into a contract with one of those tenderers? A. We necessarily have to. We have not anything to work on until we have a set of tenders.

Q. Then a considerable length of time elapses occasionally, I presume, between the tenders being called for and after— A. (interrupting) Yes, we have to get reports on the tenders received from the Engineers, that is the date you have in the Order in Council which is signed by His Excellency, or I meant the recommendation lies in Council for three or four weeks, that would account for some of the delays on the order books.

Q. In the meantime you have returned the deposit to certain of the contractors? A. To all but the lowest tenderers—we always hold the lowest tenderers and if there is any question about Council not accepting the lowest one, we would hold two.

Q. How would you find out if there was any difficulty, or any question of Council not accepting the lowest one? A. By our knowledge of the contractors.

Q. You take it for granted that the recommendation of the Minister will be adopted by Council on that point? A. No, that is not what I mean. The practice used to be that to hold the cheques of the two lowest tenderers, but that has been found unnecessary in recent years, unless there is some special reason, and the only reason that occurs to me at the moment would be if the lowest tenderers had been contractors for us previously and had not been quite satisfactory. In that case we would hold the next lowest man until we would see whether Council would accept the lowest one.

Q. And these tenderers know that this is a condition that the deposit may be kept for a considerable time? A. Yes, I have a case now. A man tendered for the Sarnia armoury, last September I think, and we have not sent his cheque back yet. An Order in Council was passed to accept his tender, but it was held up owing to the change here in Government, and we are still holding that man's security cheque and he was asking for it the other day, at least he was asking how long we were going to hold it, and I told him that we would hold it until some decision was given by the Government.

Q. Neither he nor any other tenderer has the right to assume that the fact that his deposit is held by the Government means that his tender is going to be accepted? A. No, but that his tender is receiving the consideration of the Council.

By the Chairman:

Q. Now, the contract with Kirby & Stewart was not actually signed until the 22nd of July, 1909? A. No.

Q. In the meantime, they had material on the ground and had actually commenced work. Were you aware of that? A. Well, our practice is to notify contractors when the Order in Council passes, authorizing the contract to be made, that their tender has been accepted for the work, and they may proceed. The time of the actual signing of the contract may be considerably after the date of the Order in Council or after the date when they actually commence work.

Q. Chapter 39, section 17 of the Revised Statutes of Canada, makes that illegal It says:

> "No sum of money shall be paid to the contractor in any contract, nor shall any work be commenced until the contract has been signed by all the parties therein named."

Is that provision being constantly violated? A. The contractor then takes it on his own responsibility for going on with the work. We notify him that Council has accepted his tender.

Q. And you say the practice of contractors is to go ahead, whether the contract is signed or not? A. Yes.

Q. You are a consenting party to that practice? A. Otherwise, work might be held up for three or four months.

Q. I am not criticising the policy, but what is the practice? A. Yes, we do it in practice.

Q. Well, your Department having agreed to that, you are right up against the words of the Act. Under such circumstances you would not advise— A. (interrupting) That happens continually.

Q. Consequently, the practice and the Act are not equal? A. No, the Government does not always carry out its own Acts.

Q. Nor anybody else, as a matter of fact. It is a matter of frequent occurrence that work does not commence before the contracts are signed? A. It is nothing unusual.

Q. I wish to draw your attention to this, that actually the contract was based upon an Order in Council dated February 20, 1909, in which $108,350 was the sum approximately estimated as the cost of the work? A. Yes.

Q. And at that time it was well known that plans and specifications for the concrete dam had to be made, and later on they were made. Why was not Council informed that a change of a location had occurred after the passing of the Order in Council of February 20? A. Does not the Order mention some change in location?

Q. No, none had been made at that time. This was February 20, and it was just changed from wood to concrete, and there was a change of location made some months after that or some weeks after that? A. Well, that is another practice that I won't say often occurs, but sometimes occurs, when an engineer comes to build a work it is a practice for him, that is, that he has the authority, without referring to Council, to change the location of that work, if he finds on further investigation the site is not so good a site as he should have.

Q. You mean to say, in a case like this, that whether authority has been given to change the material of a proposed dam, the plans of which are already made, that when a change takes place in location that may involve a large amount, the engineer in charge has the right to do that? A. You cannot assume it exactly that way. You have to put yourself back at the beginning. You are looking at this as a fact. Look at it before it has happened, the engineer does not know that it will amount to very much and he doesn't think it will.

Q. I do not admit that as a fact at all? A. It is just as fair to assume that as a fact, as to assume the other. You know the facts now, but the engineer did not know them when he made that change.

Q. Then, if the engineer makes a change, would he not be found in practice to report to the Department whether in his opinion it would increase or decrease the cost? A. Well, he could report to the Chief Engineer, and I think they all do, all the District Engineers. Their instructions are to report to the Chief Engineer if they find it necessary to make a change, and naturally they should inform him whether the change involves any additional cost.

Q. In this case, after he has made the change, the plans and specifications made up, and the quantities made up, show that instead of costing $108,000, it would cost $176,000, and all that appears before the contract was signed. Now, under those circumstances, would not be proper that Council should be informed of the change of location which so greatly increased the estimated cost? A. It may be proper, but it has never been done.

Q. Here you had an increase of over seventy thousand dollars on an estimate of $108,000 not actual increase on but estimated increase, before your contract was signed, and you say that that is a reasonable thing, and is not a risky thing? A. Council passed these things on the understanding that this is the estimated cost. It may run double the estimated cost. They have authorized the work and leave it to the Department to do it.

Q. You mean to say that they pass on an estimated cost which is only a matter of opinion, because it could only be a matter of opinion—you mean to say it is the practice to authorize works upon an estimated cost that might be doubled? A. No, I would not say that was the practice. It is the exception, and a very rare exception.

Q. Do you consider it binding upon the Department to obtain the most accurate estimates they can possibly obtain? A. That is what they expect to get, certainly, from our engineers.

Q. Your engineers were already in this case for that very purpose? A. I should say that their estimate was all wrong, because they reported $108,000 and when they got their plans out they reported $176,000.

Q. No, they did not. Your engineers in January, 1909, were asked to say how much a concrete dam would cost instead of a wooden dam in the same place, and they said $108,000 instead of $76,000, which is a change from wood to concrete, and upon that Council were asked to make an order. Later on, the engineer in charge changed entirely the location of the dam, adding very greatly to the cost, but reports, and plans and specifications and estimate of the cost and all that is in the possession of your Department before the contract is actually signed. Now I say, under those circumstances ought not your Department to have informed Council of this great increase in the cost? A. Perhaps we should and perhaps the Chief Engineer never reported it to me or to the Minister. It would be up to us to decide what to do when we got the information.

Q. Now I would like to ask you as Deputy Minister when you signed the contract on July 22 1909 had you before you or had you seen the final estimate of the cost? A. I cannot say I did.

Q. We find no mention of it made in the minutes or memoranda of the Minister to Council until January 4, 1911, nearly eighteen months after it had actually been decided upon? A. Well, I daresay it was authorized by the Chief Engineer that change in location you know.

Q. I don't think it was? A. The District Engineer must have done it on his own responsibility.

Q. Here is the point, of course, personally, you do not have charge of the work, do you? A. No.

Q. It was left with the Assistant Deputy, Mr. St. Laurent? A. Yes largely, yes.

Q. He would consult you sometimes? A. Yes.

Q. Now, what I want to know is this, when you signed the contract in July, 1909, were you informed of the change of location and the increased cost which the change of location was going to make? A. That would not be put up to me in that way, when the contract was brought to me by the Law Clerk to sign.

Q. Well, charge your mind now whether you knew it or not? A. I cannot at this stage I might have heard of it or I might not.

Q. You don't remember that you did? A. No, I do not. I could not express an opinion as to what I would or would not do, under circumstances which did not occur. Supposing the thing never came to my knowledge, I cannot say whether I would have thought it advisable to refer it to Council or not.

Q. But I am asking you about facts which you did know, because it seems to me extraordinary that such a radical change could be made without your being informed

of what was being done, and of what would be the result? A. Well, that may be.

Q. Now, who prepared the memorandums of the Minister to go to Council? A. The Secretary of the Department.

Q. And to whom does he submit them? A. He hands them to me.

Q. And as a matter of practice, do you give them personal consideration? A. I look them over. I assume the facts contained in them are correct; I do not practically do the work over again.

Q. That is very important, because to our minds the memoranda sent over in the name of the Minister are, I think I might use the word, grossly inaccurate, and the responsibility is to rest somewhere for it. I want, for instance, to draw your attention to some of them. You recollect that tenders had been asked for a wooden dam. A. Yes.

(Witness is shown the tender.)

Q. You are familiar with the forms of the tender used in your Department? A. Yes, naturally.

Q. I want to remind you, there are three general forms, one plan being a bulk price, No. 2 is the one you have before you a bulk price, but gives unit prices for extra work at the back of it.

Q. And the third one is for unit prices straight? A. Yes.

Q. Now, if you will look at the printed matter on the front page there, you will find it expressed that the prices given for unit prices afterwards were to apply for extra work? A. Yes, that is correct in this case.

Q. Well, now, in the Minister's memorandum, dated February 20, this statement is made: that the tenders above mentioned, in addition to bulk sum prices, give a unit price for each class of material including the cement. Now, would you call the unit price, given in that particular tender, a unit price applicable to the construction of a concrete dam, or merely a unit price for possibly a small quantity of extra work? A. That would all depend on whether the bulk sum tender would figure out to be based on the unit prices.

Q. How would it depend on that? A. Because that is shown, when the quantities of each contractor are figured out. This price amounted to $98,000, that is, if the unit prices are actually the prices that enter into the work.

Q. But that is not the point, for instance, in a small quantity, say a thousand yards of concrete in a wooden dam, a man might give a price for concrete that he would not care to apply to a concrete dam? A. But if the price happened to be one that would apply to a concrete dam.

Q. But you would not have the right to assume that, would you, from this tender? A. The point I make is, that there is a difference in tenders of this sort that have a schedule for extra work. It may be a fair schedule or it may be an unfair schedule, that is, the contractors may put an extra price in the unit prices schedule. But if he has not done that he has put what I would call a fair price in his schedule for extra price, that is the same price as he would have applied for work, and so practically it becomes a tender itself.

Q. Under the tender which you have in your hand, a man would be entitled to receive a bulk sum for the work, would he? A. Yes, when he completed his work.

Q. And it would not make any difference whether he made money or lost money, he would only get the bulk sum? A. That is right.

Q. Well then, supposing in unit prices, they had either been too high or too small, that would not affect the bulk sum he would get? A. No, not under a bulk sum contract.

Q. Not under the contract based on that tender? A. No.

Q. Then when we come to deal with the change to a concrete dam, and therefore the using of a large quantity of concrete instead of a very small quantity, that might

be called for in a wooden dam, does it follow that the prices given there would apply to a concrete dam? A. If these were fair prices.

Q. For a small quantity? A. I don't know what quantity was here.

Q. It is evident before that there was no concrete whatever called for on the plan or specification for the wooden dam, but there might be a very small quantity—one of the tenderers estimated it at two hundered yards, and the highest at one thousand yards—and the price given in a tender for two hundred yards of concrete would not be a fair measure of what a man could afford a concrete dam for? A. It might or might not be.

Q. It would not necessarily be? A. Not necessarily, no.

Q. Now, you are the Deputy Minister of Public Works? A. Yes.

Q. And considering the case of a concrete dam at a particular place you pick up a tender which a man has put in for a wooden dam, with a small quantity of concrete, would you assume that he would build a concrete dam for the same price? A. No, I would not assume it.

Q. It might be or it might not? A. Yes.

Q. And would be a matter for inquiry whether he would take the same price for the cement? A. Yes.

Q. Having in view the actual circumstances that we had been dealing with, take this language here:—

> "That the tenders above mentioned, in addition to the bulk sum price, give a unit price for each class of material,"

and then so on applying the prices the amount of the various tenders for the construction of the dam of concrete would be as follows: Now, is not that a plain indication from that language that tenders had been received for the construction of a concrete dam? A. I would not think so.

Q. You would not think so? A. No, sir.

Q. And would you not take that language to imply to a person just reading this order that the tenders received had been not only for a wooden dam, but also for a concrete dam? A. No, not necessarily.

Q. Not necessarily? A. No.

Q. Then we will go on with this language that follows right after the language which is already used:

> "Messrs. Kirby & Stewart still remain the lowest tenderers on the altered conditions."

Does that imply that they were tenderers on the altered conditions? A. No. It did imply that the tenders were figured out on the altered conditions, and that is the result.

Q. And it would not bear that implication to a person simply relying on this document? A. I think the document states what happens. We state what we have and what we are doing with it.

Q. But you do not state a lot of things that were necessary for the full understanding of the matter? A. The Minister understood.

Q. Yes, but I am not talking about the Minister but about the members of Council who did not understand it? A. If we went into details before Council they would never get through reading our reports. It has never been the custom. We give the salient facts and try to tell what we propose to do.

Q. And these salient facts should be expressed in such a way that they express with accuracy what you are doing? A. They did.

Q. You think the language expresses with accuracy what the indication was? A. Let me read that to you again.

Q. We don't think so? A. That is a matter of opinion.

Q. Yes, but I want to give you a chance to put your opinion on record? A. The tenders will show that they are for the construction of a timber dam, bulkhead site, &c. Whoever prepared this recommendation to Council proceeded to state that the tenders above mentioned in addition to a bulk sum price, give a unit price for each class of material, (which is "absolutely so") including the cement, and applying these prices to the approximate quantity of material in the work as determined by the engineer, the amount of the various tenders (the same thing is applied to all the tenders) would be as follows. That is the way they work out. Now, it is up to Council to say whether they will accept that or not. They have to make up their minds on the facts before them.

Q. And they had before them the facts that you have stated? A. Yes.

Q. But not the facts that these prices which you quoted to them had been for small quantities of concrete in a wooden dam and were not asked for with the idea that there might be a concrete dam? A. I think they could fairly assume that from what we said, namely, that we called for a wooden dam and now are substituting a concrete dam.

Q. You think that is a fair interpretation? A. Yes, absolutely so. Any other interpretation I would consider grossly unfair.

Q. Now, here is a phrase in the same Order in Council, if you will consider it: it is in the second paragraph:—

> "Moreover a great factor in the laying of concrete dams is the cost of coffer damming required which in different locations may raise the price to very much higher figures than those given. Coffer damming will be required at Timiskaming and unforeseen difficulties may be encountered."

Now, read that and tell me what is the significance of that particular paragraph at that particular place? A. Well, as I did not write it I do not know what it was intended to convey. I am in the same condition as you are as far as judging what it meant.

Q. But you examined and passed the memorandum to Council? A. Well, I made a statement of the data which was given.

Q. But what is the meaning which it bore upon the face of it? A. I presume the meaning is that they could not tell exactly what they were going into. They had to change the wooden dam to a concrete but were not sure what they were going to run up against even with the concrete, and they wished to state that there was an uncertainty.

Q. You think that is a fair interpretation in view of the fact that they then proceeded to say:—

> "Under the new tenders the work will cost $108,000."

A. No, they put that in as an offset to that. They say: "There is the estimate of $108,000, but owing to this other thing, it may run a great deal more."

Q. You think that is what it means? A. Yes. It has absolutely that meaning.

Q. I draw your attention first to the Minister's memorandum dated November 11, 1910, in which these words occur: that the carrying on of the concrete work during the winter will necessitate the housing of the section of the dam to be built and the installation of a heating system to prevent the fresh-laid concrete from being damaged during the freezing weather, that this further work is not provided for in the contract and its estimated cost is placed at from four to five thousand dollars, depending on the severity of winter conditions. In the face of that I draw your attention to the contract and specifications, or rather the amended specifications on page 6, as follows:—

> "Winter work; concrete will be laid during freezing weather only under written instructions as to the precaution to prevent freezing. Work will be stopped and resumed as practicable and the material and plant will be kept heated and a mixture of salt will be added to the concrete."

How can you reconcile that with the statement that heating was not provided for? A. Well, this states here that concrete will be laid during freezing weather only under written instructions. Then it becomes a matter of what these instructions may be.

Q. Doesn't that imply that it will be laid under written instructions? A. It naturally would have to be laid under written instructions.

Q. Doesn't it go on to say that it shall be commenced and stopped whenever ordered? A. It gives the engineer in charge entire control over the work.

Q. Under that clause, if they were ordered to go on and do that work and to erect a house and keep it heated, could they refuse? A. Well, they could say, I suppose it will cost us more to do that.

Q. Suppose they did—they have agreed to go on when they are told to do so? A. Yes, under the arrangement with the Department.

Q. They have entered into a contract to commence and stop when told and to keep their work heated when they are doing it? A. What specification is this.

Q. That is the specification which was put into that contract when it was signed. It is prepared by Mr. Coutlee? A. This was the new specification which was not tendered on but was put in the contract when they were ordered to go ahead with the concrete dam.

Q. Certainly.

Mr. LAKE.—Both the original specifications and the new specifications are there? A. The original is only for wood. I was trying to get those amended specifications.

By the Chairman:

Q. I am dealing now with your memorandum to Council dated November 11, 1910, a year and three months after the contract was signed. Can you explain the statement now that the laying of concrete in winter was not provided for? A. Well, evidently whoever prepared that considered that that did not compel the contractors to do winter work without written instructions from the Department.

Q. You passed this memorandum, I presume? A. Yes, but, as I told you, I do not go through all these papers. I must necessarily have to assume that the facts stated are correct, unless I should do all the work myself.

Q. Then we will put the question this way: in a statement that involves the whole question whether the Government were called upon to pay for that or not, because if that contract did provide for it they were not obliged to pay for it, and therefore a statement as to what the contract contained would be the absolute keystone of the memorandum to Council? A. Certainly, and the man who prepared that would have all the papers before him but I would not.

Q. When this came before you you would accept the statement? A. I do not verify the statements.

Q. You do not verify the statements? A. No, sir.

Q. What is the special value of the memorandum passing before you? A. Because I have a general knowledge of the trend of the policy of the Department with regard to these things. I have my instructions to do a certain thing to have a report to Council prepared, to let a contract for this work. I send that to the Secretary and the memorandum for Council is prepared with the documents before him and I accept what he states in that memorandum, to be true, as long as the trend of the Order in Council is in the direction desired.

Q. The policy of that has previously been discussed between you and the Minister? A. Yes, he gives me instructions to do certain things and I give instructions in my turn.

Q. Is it not fair to assume that that policy was decided on the assumption that the contract did not provide for this winter work? A. I think that question should be answered by the man who prepared the recommendation, because he has the information and I have not.

Q. I take it from the form of this memorandum that it would not be the man who prepared the recommendation who would be responsible for that recommendation, because the policy must have arisen from a belief that the contract did not provide for that very thing? A. That may be so. Would you let me set the memorandum there. You see that is a straight statement of fact, that this further work is not provided for in the contract. When a recommendation comes before me with a statement of fact like that being made, I assume that that statement of fact is correct.

Q. But in this particular case that fact would be the very foundation of the assumption of this obligation? A. You mean to pay the extra cost of this winter concrete work.

Q. Yes, upon the ground that it had not been provided for, surely in the discussion of the policy between you and the Minister, you would have to know whether it was provided for or not. A. If we were told that it was not provided for we would accept that.

Q. Can you cast your mind back and say whether you and the Minister did in that particular case discuss the question? A. No, we did not, and we would not look up the specification ourselves to see what was in it and what was not in it. We would simply leave that to the officer who had looked them up.

Q. And do you remember having a discussion with the Minister as to whether that obligation should be undertaken or not? A. No.

Q. You do not remember having such a discussion Mr. Hunter? A. No, sir.

Q. But the probabilities are that you did? A. No, not necessarily.

Q. You would not personally undertake the policy without consulting the Minister? A. No, but he must have discussed it with Mr. St. Laurent, do you see?

Q. He might have discussed it with you? A. No.

Q. The policy of doing it would not be decided upon by any one except the Minister? A. No.

Q. Now, with reference to these memoranda for Council, they are signed by the Minister and sent over by you, I suppose, in due course to the Council and filed? A. Yes. The Minister returns them to me and I send them over.

Q. And they may or may not be considered by Council while the Minister is present? A. That is true.

Q. Shall I presume that if the Minister is absent from Council and the matter is not very pressing, that they are kept until the Minister is there? A. I have never been in Council, that is secret, and I do not know what they do.

Q. But you must know from outside whether matters that you have sent over from your office frequently await action of Council until the Minister comes back? A. Well, if he is out of Ottawa, the more important ones wait until his return, but others go through.

Q. Some do wait for the Minister's presence and some go through? A. Yes.

Q. And now in a Minute dated January 4, 1911, a recommendation is made that the actual cost of coffer damming and unwatering necessary to complete the dam across the Quebec channel, including the removal of the said coffer dam, plus the usual fifteen per cent for incidentals, etc., shall be paid to these contractors, and on Minute goes on with a certain amount of the history of what has been done, and on the second page of that memorandum it says that the new Engineer in Charge, after authority is given by the Order in Council to change from wood to concrete, found it necessary to change the site of the dam and altered considerably the lines of the original plans, and then adds that the dam under these conditions required a deep cut-off wall, and both the up stream and down stream sites required more plant to carry on work and increasing considerably the cost of coffer damming and unwatering. Now no mention is made in that memorandum any where that all these changes referred to had taken place before the contract was signed with the contractors, and that a most positive written notice had been given to the contractors that the amount of $4,000

allowed for unwatering would not be exceeded, and no mention of that positive notice or direct reference to that fact had been put in any previous memorandum of the Minister to Council. Now, do you not consider that the omission of these facts was the omission of something that it was very important for Council to consider in this connection? A. Well, I would say to that you could always be sure of having everything represented if you had the man in charge of the work prepare your recommendation to Council but unfortunately you have not, and they passed through a third or fourth hand, who are not familiar with the work.

Q. Well you are the Deputy Minister of Public Works, and I am drawing your attention to a fact, to what strikes me as the ommission of the most important and significant fact going right to the question of what should have been done for these contractors, namely, that they have signed the contract after full notice of those conditions relied upon in the memorandum, and after they had received pointed notice that in accepting the contract they were accepting four thousand dollars as the price for the unwatering and would not get any more? A. I presume if the man who prepared that memorandum had known that he would have put it in.

Q. You knew that? A. No, I didn't know that.

Q. As Deputy Minister of Public Works you didn't know those facts? A. I cannot know every change that is taking place in the Public Works from the Atlantic to the Pacific.

Q. Were you aware of those facts that I put in my question? A. No, I don't think I was.

Q. What I want to get at is that some one has to accept the responsibility for it? A. That is the unfair part of the thing. The Deputy Minister has to accept the responsibility of what other people do around the Department.

Q. I am going to get past theoretical responsibility and get down to actual responsibility. Now was the actual responsibility on you or on Mr. St. Laurent? A. All I had to do was to look over the memoranda and pass them on to the Minister.

Q. You had to look over the memorandum and pass it on to the Minister, but who prepared it? A. I don't know definitely who prepared that or how much information he had.

Q. The control of this Timiskaming matter was to a very large extent left by you to Mr. St. Laurent? A. Yes.

Q. He being an engineer, and this being engineering work? A. The Chief engineer is the man, before Mr. St. Laurent, who is responsible.

Q. But Mr. St. Laurent is Assistant Deputy Minister and is aiding and abetting you? A. Yes.

Q. The Chief Engineer is subordinate to him? A. Yes.

Q. And it being engineering work Mr. St. Laurent has charge of it? A. No, the Chief Engineer.

Q. He was under Mr. St. Laurent? A. Yes.

Q. We know the Chief Engineer was sick and away? A. He is always sick and away, and if Mr. St. Laurent has to be Chief Engineer he cannot be Assistant Deputy Minister and Chief Engineer too.

Q. The Chief Engineer would have nothing to do with that memorandum to Council? A. It would be based on his reports.

Q. Where the practical handling of a matter is in the hands of the Assistant Deputy Minister, and memoranda to Council are coming up, does the Assistant Deputy Minister look after them? A. He does.

Q. In this case would the Assistant Deputy Minister look over this memorandum to Council? A. Yes.

Q. From your memory of this case, can you say that he did? A. No, I cannot say he did, but he naturally would.

Q. He ought to know a great many things that you don't know? A. Yes, certainly.

Q. As a matter of practice in your Department, when the memoranda to Council come up and are prepared by the secretary, would you tell Mr. St. Laurent to look over them? A. Sometimes, when I am in doubt and I know that he is familiar with everything that has gone on, I send it to him to check over.

Q. Did you do so in this matter, Mr. Hunter? A. I cannot say that I did.

Q. Would it not be desirable to have some practice on the subject? A. We practically have a practice.

Q. Your practice is that it would have been sent? A. Yes.

Q. But it might not have been done? A. No, it might not have been done, but that is the practice.

Q. Now, on August 5, 1911, the Minister's memorandum goes to Council, recommending the assumption of all the work, and the payment of certain things. It recommends this, that the work already performed, materials delivered, and plant supplied, shall be paid for at its actual and reasonable cost. Did you enter into a discussion of the policy of that particular order? A. No.

Q. Well then, I notice this, as a fact—one of the reasons given for this decision is that in the spring an expensive coffer dam had been partially destroyed and swept away. No special mention is made in this order whether or not the cost of that coffer dam destroyed and absolutely lost is to be included within the amount the Government was going to pay? A. They took that over before in the previous order.

Q. No, they had taken over the duty of completing this coffer dam? A. If it was carried away, the coffer dam that they undertook to complete, it would be their responsibility, and they would stand the loss.

Q. You are right there. That had been adopted under a previous Order. The memorandum dated August 5, 1911, starts out with this statement, that under the authority of an Order in Council dated the 18th of January, 1909, a contract was awarded to Messrs. Kirby & Stewart for the construction of a wooden dam on the Ottawa River. Now, as a matter of fact, no contract was awarded for the wooden dam? A. Yes, it was awarded by the Order in Council.

Q. It was authorized by the Order in Council? A. That is what it means in that case. The words are synonymous.

Q. But, as a matter of fact, there was no contract signed? A. No, it was awarded, but not signed.

Q. That is your explanation of it? A. Well, that is correct.

Q. You cannot award a contract? A. The Order in Council awards the contract.

Q. I beg your pardon, no man can award a contract. I cannot make a contract. It takes two men to make a contract. The Order in Council can authorize the making of a contract, but they cannot award it? A. They do award it in authorizing it. Our expression is that the contract is 'awarded' by Order in Council. That is the expression we use. Of course if our language does not convey the right meaning, that is our fault, but no one has misunderstood it before. At least, it has never been called to my attention before.

Q. Well now I want to draw your attention to the fact that in the Justice Department they take issue with your use of that very word, and in this very Order they refer to this very language in the memorandum dated 5th of August, 1911, in which you say that a contract had been awarded. The official in the Justice Department says "not so," and on the back of it he says "the recital in the Order in Council is wrong"? A. Well, there is nothing to show whose note that is.

Q. If you go further on you will find the memorandum made in the Justice Department? A. This is not one of our files, and of course I don't know anything about it.

Q. It is a file from the Justice Department and I am drawing your attention to the fact that the Justice Department say that that use of the word is wrong? A. It was not brought to my attention.

Q. You said that no one ever understood it? A. I said it had never before been brought to my attention, that it had been misunderstood.

Q. You remember that the Auditor General took objection, away back in 1909, to your decision to award a contract for a concrete dam to Kirby & Stewart? A. Yes.

Q. Contending that you ought to ask for new tenders for it? A. I forgot just the ground of his objection, but I think it came out later than the date you mentioned, but it developed at any rate that that was his contention.

Q. No, it came out very plainly then? A. The time is easily fixed; it would come up on our first application for payment to the Auditor General on the contract for the concrete dam.

Q. On January 28, 1909, a letter from the Auditor General says:—

> "The unit prices and other tenders were for extra work, and the substitution of concrete for timber makes an increase of nearly one-third of the whole work and new tenders should be asked for."

Q. Why was not that question referred at the time to the Department of Justice? A. Because the Government disagreed with the Auditor General.

Q. What Council disagreed with the Auditor General? A. The Cabinet; the Government.

Q. It does not appear that it was before the Cabinet at all? A. When they authorized the contract to be made the way it was made, and the Auditor General disagreed with the way they let it—he questioned their right to let the contract in that way.

Q. Was the fact that he had questioned their right to let the contract in that way brought to the attention of Council? A. I do not know what goes on in the Council, but it was brought to the attention of the Minister.

Q. You have no reason to think that he mentioned it to Council? A. I have every reason to think it would.

Q. But as a matter of fact the Order in Council had been passed authorizing it before the Auditor General rejected it, had it not? A. Yes, but if the Auditor General held up payments on contracts which the Council had authorized, the contractors would go to the Minister, and the question that the Auditor General had refused to pay would come to the attention of the Minister and he would advise Council of that fact, naturally.

Q. You think he would? A. He would ordinarily.

Q. Now, as a matter of fact, don't you proceed in another way? Don't you prepare a memorandum for the Minister in which you state that you thought Mr. St. Laurent's argument on that point was right and that the Auditor General should be overruled? A. I think so, I think he asked for that to take it up to Council.

Q. Why didn't you think proper to ask the opinion of the Justice Department on that point? A. Because I did not think I required it.

Q. But you did refer the very same thing nearly two years later to the Justice Department? A. By direct instructions from the Minister, but not on my own initiative at all. And that was when matters had got to such a crisis that the Minister had to make some move and that is the move he made. He referred the whole thing to the Justice Department to try and straighten out the matters between the contractors and the Auditor General. He gave it up.

Q. On the 4th of February, 1909, you prepared a memorandum to the Minister, and you say that after referring to the objection of the Auditor General and to the reply of Mr. St. Laurent, you say that this reply answers to your mind conclusively

the point raised by the Auditor General, and you would recommend that the Department proceed with the concrete in place of the cribwork, do you not? And that is marked "approved W.P.," which would mean Mr. Pugsley, the Minister, I suppose? A. Yes, William Pugsley.

Q. Do you know whether that was approved upon presentation of your notes, or whether it was approved later on? A. I don't know that.

Q. You do not know whether it was approved before its coming up in Council or not? A. I don't know that it ever did go to Council.

Q. Then there is a memorandum at the bottom of it by yourself, dated 11th February, 1909? A. Yes, I always put dates on mine so that I know when I did initial them.

Q. And the memorandum which you have put on it, dated 11th February, 1909, is: "prepare recommendation to Council"? A. That would mean the "W. P." was put on previous to that date. It must have been before the Minister between the 4th and the 11th of February, 1909.

Q. Now you made a statement here in the same letter that calls for new tenders would necessarily delay the work? A. Yes, so I see.

Q. Now, didn't you know at that time, on the 4th of February, that new plans and specifications would be necessary for a concrete dam? A. No, I was probably taking that from Mr. St. Laurent's memorandum informing me to that effect. I had no knowledge where the plans were.

Q. You do not accept any personal responsibility for the hurry? A. No, that is a matter for the engineers.

Q. I was asking you a moment ago about the use of the word "awarded," in the memorandum to Council with reference to a contract. Now, I draw your attention to your letter of the 11th of May, 1911, addressed to the Deputy Minister of Justice, in which you say:—

> "The authority of Council was obtained under date January 18, 1909, to accept their tender, enabling Messrs. Kirby & Stewart——"

You will notice that these are the very words that I used a short time ago, in discussing with you the propriety of using the word award, namely, "the authority of Council to accept their tender." Then you go on to say:—

> "However, before the contract was awarded, upon subsequent investigation, it was decided to change to a concrete structure."

There you see your own statement that the contract was not awarded? A. It is a quibble of words.

Q. Is it a quibble of words in your letter? A. As a matter of fact what does Council do? They authorize the Minister to make a contract? Don't they authorize him to award a contract?

Q. No? A. I think they do.

Q. I say they do not because you cannot award a contract. In that letter you say that the contract was not awarded, and in the memorandum to Council you say that the contract was awarded. Now, which is right? A. I did not make the memorandum to Council.

Q. Well, which statement is right? A. The contract was awarded by the Order in Council to Kirby & Stewart, but was never signed.

Q. Then your letter is wrong? A. No, my letter is perfectly right. It is using the words in a different way.

Q. You have no right to use the same words in two different ways? A. Well. every letter I write I cannot sit down and study for an hour.

Q. It is a very clear case of answering your own argument a moment ago. The letter from which I am just now quoting is your letter from the Deputy Minister of

Justice, asking his opinion upon the legality of the Order in Council, dated January 24, 1911. Why did you not in that letter mention the fact of the two objections by the Auditor General, and let the Deputy Minister know that you were asking his opinion because the Auditor General had objected? A. Because I sent him the file and he had all the papers before him.

Q. What file did you send him? A. He had everything. It was a great big parcel and I think he had all you have here.

Q. He has told me that he had nothing, but what he has supplied me with? A. He could not supply you with our files, because he didn't have them in his possession to give to you. But he had them and returned them with his answer. He had our files. Doesn't my letter say that I am sending him the files.

Q. Now, drawing your attention again, referring to the tenders received for a wooden dam, you say: "Messrs. Kirby & Stewart's prices made them the lowest tenderers for the concrete as well as for the wooden structure first contemplated." Now, is that a fair statement, Mr. Hunter? A. I think so.

Q. Do you mean to say now with all your knowledge that Kirby & Stewart's prices made them the lowest tenderer for the concrete structure? A. Certainly.

Q. Do you mean to say now that they never tendered for a concrete structure? A. No, I do not.

Q. Isn't that what that thing says? A. No.

Q. What does it say? A. The timber dam was first intended and there was a schedule of unit prices and tenders for that and it was decided to erect a concrete dam and figuring out the tender for the concrete unit prices, Kirby & Stewart are still the lowest.

Q. Doesn't that statement make them the lowest tenderers for the concrete as well as the wooden structure imply that they tendered for the concrete structure? A. No, not at all, not with all the facts there.

Q. That is your deliberate opinion to-day? A. Certainly, every one knew the facts.

Q. The Minister of Justice didn't know any of the facts, except what you were telling him? A. He saw the file.

By Mr. Lake:

Q. You said just now: "attached to the tender was a schedule of unit prices." This letter does not say so. It says: "As the tenders received were for unit prices" now, is that a true statement? A. That may be a mistake on my part. I think that was my impression that way.

Q. Is it a correct statement of what is the fact? A. Partly.

Q. But they were not tenderers for unit prices? A. I may have been under the impression they were.

Q. We are not finding fault with your misapprehension, but it astonishes me that in the face of what we know now you insist on misinterpreting your own language. Were Kirby & Stewart ever actual tenderers for a concrete dam? A. No, they never were, certainly not.

Q. You were getting the opinion of the Deputy Minister of Justice upon the most important and technical question, and therefore your letter should have been extremely accurate, should it not? A. That letter was written in a hurry, as most of my letters are. I have to fight to take time to write letters in my office, and I cannot make a study of them as you can here respecting them.

Q. There may be any amount of excuses, but when you are calling for a definite opinion upon a matter, a most important technical legal point, shouldn't the statement of that case be accurate and technical? A. I try to make them so under my knowledge at the time, and I safeguard myself by sending the papers so that he cannot get out of it, as he is apparently trying to do. He is apparently trying to do now, on the ground of not knowing the facts.

Q. There is not a word in your letter to show that you sent the file? A. I remember distinctly, and it can be proven by my clerk, what went over, because I remember the parcel.

Q. When contractors or tenderers or other persons come to see you for verbal discussion is any reference necessarily kept of their interview with you? A. None whatever.

Q. Is there any record kept in your outer office of the arrival and departure of people to see you? A. None whatever.

Q. Is there any memorandum kept by you of consultations between yourself and the Minister? A. No.

Q. Haven't you found it very inconvenient not to have some reference to those interviews? A. No, I cannot say I have.

Q. Are you familiar with the practice that obtains in many commercial offices of having the arrival and departure of persons interviewing members of the firm noted on the cards when they go in and when they came out and a record of that kept? A. No, I never heard of that before.

By the Chairman:

Q. With reference to the Chief Engineer's Department, Mr. Lafleur has been ill and absent from his office a good deal for the last three years, has he not? A. Yes, the last two or three years.

Q. And the Assistant Chief Engineer, Mr. Dufresne, is largely engrossed in the dredging business? A. Yes.

Q. Then the Chief Engineer has not really an assistant in his office who is an engineer? A. Yes, he uses Mr. Valiquette to supervise the Engineering Department.

Q. He comes in and out of Ottawa frequently; he is a travelling man, is he not? A. No, he is here most of his time.

Q. As an inspecting engineer what are his duties? A. Supervising engineering here at Ottawa, to take up matters referred to him by the Chief Engineer and practically do his considering for him and report to him.

Q. Is that his official title, Supervising Engineer? A. Yes.

Q. When he goes away from Ottawa on public works, what is his special mission? A. Various missions, we might send him to make a special report on some muddle the District Engineer had got into where there is a difference of opinion between the contractor and the District Engineer, to hear both sides and report how it should be settled.

Q. Well now, your Department is very largely engaged in engineering work, that is the Department of Public Works? A. Yes.

Q. You are not an engineer by profession are you Mr. Hunter? A. No.

Q. And consequently, with regard to all matters of a technical nature you have to depend on the men below you? A. Yes, sir, absolutely.

Q. Are you satisfied with the organization at present, in that particular—that is, are you satisfied that it is as strong as it should be? A. No.

Q. Don't you think there should be some board or body of supervision upon projected works? A. I have been trying to get that for the last three or four years.

Q. Have you made any representations in writing along that line? A. I think I did, on the occasion of Mr. Miles being brought here to Ottawa, as a preliminary step towards forming such a board. He was an engineer on our Winnipeg staff and I got him here and have been using him the same as Valiquette and if a couple of others were here at headquarters they could be used as investigating engineers and also to consider reports from District Engineers and advise the Chief. That is as far as I have got; I have Miles here and Valiquette.

Q. Did you make a written memorandum about that? A. Yes, at the time I transferred Miles here, I have said that.

Q. Now, we have to consider among other things the organization of the Public Service, and this feature has been impressed upon us in inquiring into this matter. Would you mind giving us the memorandum which you have prepared, or, if you prefer it, would you prepare another memorandum on that point? A. Certainly, I shall be glad to. If you can further the organization of that I will be very glad.

By Mr. Ducharme:

Q. Were you aware of this letter from the Auditor General to you on the 20th of January? A. Yes, I must have seen it.

Q. When you prepared your recommendation to Council on the 28th February, don't you think that you should have mentioned that letter? A. I did not prepare the recommendation.

By the Chairman:

Q. Well, when he supervises it you mean?

Mr. DUCHARME.—Yes, and when he prepared it too—here is the memorandum? A. That might or might not be, if the Minister decided to take no action on the Auditor General's letter.

Q. Was the Minister made aware of that letter? A. Oh, yes.

Q. Now, there were some few payments made of $33,000 and $40,000 to Kirby & Stewart? A. Yes.

Q. Do you remember these payments? A. I do not remember them but I suppose they were made.

Q. One was $33,000 for plant and one was $40,000? A. Was that paid recently?

Q. Last summer? A. Well no, the plant I think was just valued by a man named Griffiths, and it was paid recently, that would be out of that vote. I remember the payments were authorized.

Q. Don't you remember that there was some discussion about this payment and the Auditor General refused to pay that? A. He refused to pay it in the first place and he said we have to get a special vote in order to have him pay it, and we did get that special vote and after we got that he said: "Even though you have got this special vote I won't pay it because you should have called for tenders." He kept that up for a while and then he gave in and paid.

Q. Chalifour was the man——A. Yes, Chalifour was the man who represented us in going over the contractor's accounts to get at how much the contractors were entitled to according to the terms of the Order in Council.

Q. He does not belong to your Department? A. Oh, yes, he is checking clerk under the Chief Engineer, who looks over all the accounts that come in, the prices, and checks them up.

Q. Had you any discussion with Mr. Chalifour on that point? A. No.

Q. You did not give him any advice? A. Oh, no.

By Mr. Lake:

Q. I understand that when the Department decided to recommend to Council that the Government should themselves assume the work and take it off the hands of the contractors, orders were sent to the engineers to go on with the work at the expense of the Department on the 8th of August, and the report to Council was only presented to Council on the 10th of August and passed on that date. Is it customary to anticipate the actions of Council in this manner? A. No, not customary, but if the Minister has discussed the matter previously and Council knows how it stands he will take the responsibility knowing that he can pass the Order in Council.

Q. That could only be done under direct instructions of the Minister? A. Oh yes, absolutely.

Q. Do you know of any cases in which contractors who have deposited money as security for their tenders have forfeited that security? A. I think only once that has

come to my notice. It is that of a contractor named Cameron for some public buildings in the Eastern Townships. It was forfeited and he has been trying to get it back ever since.

Q. How many years ago was it forfeited? A. Fifteen or sixteen years ago.

Q. In your experience, at any rate, for fifteen years, you don't know of any case where the deposit has been forfeited? A. That is the only case which came to my attention where a contractor's security was forfeited. There may have been others but it is very rare.

By the Chairman:

Q. Do you know where security has been returned and the contract taken off the hands of the contractors? A. Oh yes, there are cases like that.

Q. It occurs frequently? A. Not frequently, but it occurs. At the Winnipeg St. Andrew's Rapids dam, near Winnipeg, the first contractor was unable to complete it and his security was given back and the work taken off his hands and the work remade.

Q. Did you reimburse him all his loss? A. No, we took his plant over.

Q. And you also took over the work that he had done? A. We paid him for it.

Q. On the same principle as this one? A. Yes.

Q. Are those the only two cases you remember? A. All that I can strike offhand at the moment. I know there are others, however.

Q. Where you take work off the hands of the contractors in that way and pay them for the work done, don't you value the work and pay them off on a valuation or do you pay them on the amount expended? A. There is an examination made of the work, that is of the work done, and it is valued by our engineers, in case it is engineering work, or if it is a building the valuation is made by the Chief Architect.

Q. In this particular case you did not do that? A. In this case it is a departure.

Q. A departure from the rule? A. Yes, from what has been done in other cases where work was taken off the hands of the contractors.

By Mr. Lake:

Q. How is the rule interpreted in your Department in regard to receiving and opening tenders—what is the procedure? A. There was an Order in Council which was passed some two or three years ago, relating I think to all the Departments, at least we have acted on it, that the only persons who are authorized to open tenders are the Minister, Deputy Minister, and some one or other of the officials of the Department, the Minister may designate them, who can open tenders with the Deputy Minister. If the Minister opens them, which he very seldom does, the Deputy Minister will open them with him. In the case of our Department I and the Secretary open all the tenders.

Q. The Order in Council simply requires two permanent officials to open tenders? A. Yes, the Minister may be one with a permanent official, or it may be the Deputy Minister and some one else, and naturally, as tenders are received by me, and the Secretary, they naturally would be the Secretary and the Deputy Minister.

Q. The Secretary receives the tenders and stamps them on the outside? A. Yes.

Q. If a tender comes into the office without the word 'tender' marked on the outside, is it received or what happens to it? A. Of course if it is not marked 'tender' on the outside it is opened and if it is found to be a tender it is sealed up again and placed with the tenders to which it belongs.

Q. Do you consider that a proper practice, Mr. Hunter? A. What else could you do?

Q. You could reject the tender? A. That comes up for consideration later on and of course it would be rejected.

Q. It ought to be rejected if opened beforehand? A. Certainly, I don't know of a case where a tender came in like that and was opened beforehand was ever accepted.

Q. Then, the two officials who open the tenders draw up the general memorandum as to the contents of the tenders? A. No, what we do is this: There may be one of our schedules on those files and I will explain it to you. We initial these tenders as they are opened, both of us, in the presence of one another, and the Secretary takes them away and prepares the schedule and puts at the bottom that the tenders were opened on such a date by the Deputy Minister and the Secretary.

Q. And the tenders having the initials upon them, that covers the point? A. Yes, covers it quite conclusively.

Witness retired.

The commission adjourned.

THURSDAY MORNING, OTTAWA, February 29, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of JULES A. CHASSE, Law Clerk of the Public Works Department.

Examined by the Chairman:

Q. How long have you occupied the position of Law Clerk in the Public Works Department, Mr. Chasse? A. About eighteen years.

Q. You are a member of the Quebec Bar, I suppose? A. No, I have not been received as a lawyer. I studied law but I have not been admitted to practice.

Q. You studied in the Province of Quebec? A. Yes.

Q. Then you never practised law? A. No.

Q. In whose office were you studying? A. The late Hon. Jean Blanchet.

Q. And when you first came into the Civil Service to what position were you appointed? A. I was appointed at the House of Commons during the session. During the recess I was employed by the Department of Public Works on surveys. I have some knowledge of the Civil Engineering profession.

Q. When did you obtain your present position? A. 1894.

Q. You have been Law Clerk ever since then? A. Yes, ever since.

Q. What is your salary at the present time, Mr. Chasse? A. $2,600.

Q. Will you briefly describe your duties as Law Clerk of the Public Works Department? A. Well, sir, I have to prepare all the legal documents, such as contracts, bonds, deeds of sale, and all legal documents, I have to examine the titles when they buy sites.

Q. The class of work which according to our English practice would be called 'solicitor's work'? A. Yes.

Q. For the Public Works only? A. Yes.

Q. And with regard to the questions of law which arise of any importance, they are sent by the Department to the Department of Justice, are they not? A. Yes, we always do that.

Q. So you do not have to advise on legal questions? A. No.

Q. Except upon minor questions that come up? A. Yes.

Q. Generally then, Mr. Chasse, your work is in the preparation of documents? A. Yes, and we submit my drafts very frequently to the Justice Department.

Q. For instance, in making a contract for the Public Works, you now have a printed form of contract, have you not? A. Yes.

Q. And you just simply fill in the blank spaces in the forms? A. Yes.

Q. When you fill in the blank spaces in printed forms, of course the contract is not sent to the Justice Department is it? A. No.

Q. But the blank form itself in its blank form had been approved by the Justice Department, that is what you mean? A. Yes, sir.

Q. Well now, I want to draw your attention to a contract dated 22nd of July, 1909, between Kirby & Stewart and the Department of Public Works? A. Yes, sir.

Q. Is that writing in the contract your writing? A. No, not mine, but that is the handwriting of my assistant.

Q. Mr. who? A. Mr. St. Denis, that was done under my direction.

Q. That was done under your direction and the contract passed your examination? A. Yes, sir.

Q. How many assistants have you? A. I have three people working for me.

Q. One is the Assistant Law Clerk? A. Yes.

Q. What is his name. A. Mr. Skinner, he has been appointed recently.

Q. How long has he been in the Department? A. He is in the Department since August and he took possession of his office only in October.

Q. Where did he come from? A. St. John, N.B.

Q. Is he a barrister, an admitted barrister? A. Yes, sir.

Q. How old a man is he? A. About forty or forty-four.

Q. Was there a vacancy there or was that a new office? A. No, there was no vacancy, it is a new appointment.

Q. Then he has practised his profession in New Brunswick? A. Yes, sir.

Q. Whom have you besides him? A. Mr. St. Denis and a young lady.

Q. What is St. Denis' position? A. He is a stenographer and typewriter and is able to write in both languages.

Q. And the young lady? A. She is typewriter.

Q. Stenographer and typewriter? A. Yes.

Q. That constitutes the whole of your office? A. Yes, sir.

Q. Well, the printed form of that contract in question is one of those which is prescribed by the Department of Justice? A. Well, I think so, will you allow me to look at it.

Q. Certainly? A. Yes, sir, after looking at it, I think it is.

Q. On the regular forms of your office? A. Yes, because we have a new form now.

Q. When you come to prepare a contract of that kind, from what source do you obtain your information as to the terms of the contract? A. Well, I take the tenders and the Order in Council and all the file of correspondence is submitted to me.

Q. In this particular case of Kirby & Stewart for the Timiskaming Dam, there was no tender? A. I think so.

Q. There was a tender for the wooden dam? A. Yes.

Q. At the sum of $76,000? A. Yes, if I remember well, I have not looked at that.

Q. I will just recall it to you and if there is anything important you can look at the file? A. Yes.

Q. You remember that it was decided to make a concrete dam? A. Yes, to substitute concrete for the wooden dam.

Q. And there were some prices that had been given at the back of the original tender for extra prices, unit prices they were called, for extra work, and it was decided to make them the prices of the contract? A. Yes.

Q. So that when the contract was made it was a contract for building a concrete dam, but there have been no tenders for the concrete dam, the tenders being for the old wooden dam? A. Yes.

Q. Now will you just see what was the last Minute of Council you would have, here are the copies? A. This is the report to Council.

Q. Yes, but the Order in Council follows from that, so that one is just as good as the other. Now this is February 20, this was the Order in Council. I am drawing your attention to memorandum of the Minister to Council, dated February 20. When the amount of the consideration is being filled into the contract, it appears that on page 6 the consideration expressed in this way follows that Order in Council: —

> "The contractors will be paid for the works hereby contracted, as follows: for the whole works herein contemplated to ensure the construction and completion of the concrete dam, bulkheads and slides, across the Ottawa river at the head of the Long Sault Rapids, near Timiskaming Station on the Canadian Pacific Railway, in the Township of Gendron, Province of Quebec, a sum at unit prices mentioned in the annexed schedule, or an approximate total sum of $108,050 of lawful money of Canada."

Now, I want you to tell me whether that is a contract to pay the unit prices or a contract to pay $108,050, because you see it is expressed in the alternative, a sum at unit prices, or an approximate total sum of $108,050? A. Yes.

Q. Now, what is it? A. Well, I understand—

Q. (interrupting)—It is a contract which governed, and it is expressed in the alternative? A. Yes.

Q. Now, how much is it? A. Well, this amount has been put here taken from the Order in Council.

Q. That is the $108,050? A. Yes.

Q. But as between the Government and contractors the Order in Council is not the governing thing? A. No.

Q. It is the contract which is the governing thing? A. Yes.

Q. And you were instructed to prepare that contract with the Order in Council before you, were you not? A. Yes.

Q. Now in the Order in Council before you one might say that this contract was for the unit prices, and that the words "or an approximate total sum of $108,050" was more the statement to council of what it would approximately cost? A. Well, it would approximately cost about $108,050.

Q. According to the Order in Council? A. Yes, and according to the contract too, that is the interpretation I give it.

Q. But what had you to do with the putting into a contract the calculation as to what the approximate sum would be, what had that to do with the contract as between the Government and the contractors? Why should you put into the contract an estimated sum? A. Well, I do not understand very well. Well, I understand—

Q. (interrupting) I want you to tell me as a lawyer who has prepared that contract, why it is expressed in the alternative, and whether it clearly sets forth which of the two things was to be paid? A. Well, it means that the unit prices calculated would represent the amount, the approximate amount, but very very near $108,050.

Q. Now I ask you as a lawyer, what had the contractors and the Government to do with stating in the contract an approximate amount? Why put that into the contract at all? A. Well, I submitted this draft contract to the Deputy Minister.

Q. But the Deputy Minister would not advise you. You are there to advise him, are you not? A. Well, not always.

Q. But you ought to be, should you not? A. Certainly.

Q. And you don't mean to say those words were put there after you took it up with the Deputy Minister? A. No.

Q. Well, the point I am getting at is this: you say that contract was prepared under your instructions? A. Yes, this contract was prepared in my office, and I have afterwards submitted it, before it was signed, to the authorities. I have sub mitted this draft, to the authorities.

Q. Are you not there to advise the authorities on legal matters? A. Well, I give my opinion and they follow it generally, not always, but sometimes.

Q. But I am trying to deal with this matter, and I am trying first to find out what is your position in the Department, and the next point is the value you place upon your legal opinion. Now, I put this quetion to you: do you mean to say in this case the Deputy Minister asked you to change that? A. Oh no.

Q. So that those last words "or an approximate sum" were not put there at the suggestion of the Deputy Minister? A. No, not at the suggestion of the Deputy Minister.

Q. Well then, in this particular case, you are responsible for that language? A. Yes, I have done that myself, prepared that and submitted it, and they found it O. K.

Q. You don't mean to say in legal matters in your Department you expect to be advised by your Deputy Minister? A. No.

Q. Is it not your duty and place there to advise the Deputy Minister on matters of law? A. Certainly it is.

Q. He is not a lawyer? A. No.

Q. Well, then, I asked you as a lawyer why you should put into a contract which is to be under seal, signed by the parties, an approximate sum, when you are making a contract for unit prices? A. Yes, this amount of $108,050 is the result of the calculation of the unit prices.

Q. We understand that. A. Well, that is all.

Q. You will admit, I suppose, that between the Government and the contractor, the contract would govern in a court of law, wouldn't it? A. Yes.

Q. Well, now, I put it to you now; does the contract alone show whether it was a contract for unit prices or for a specific sum? A. No, it was for unit prices, it shows that, but amounting to $108,050 approximately.

Q. Why put that in? Supposing a court of justice were to ask you why you put this approximate sum in here if it does not mean anything except the calculation, what answer would you give? A. I am answering you now, Mr. Morine, that I have inserted it because I took it from the Order in Council.

Q. I now show you a copy of the contract made October 5, 1911. You were a witness, if you will look at the back of it you will see that you were a witness to the execution of that contract? A. Yes.

Q. Did you draft the contract yourself? A. No sir.

Q. Do you know where it was drafted? A. I think it has been drafted by some lawyer.

Q. By Mr. Chrysler, K.C.? A. Yes sir, I saw a draft agreement with his name on the back.

Q. Where is that draft? A. Well, I don't know, it is not in my office.

Q. Was it kept down in your office? A. It was copied from that draft, in my office.

Q. Do you mean to say a copy was made in your office and the draft remained in your office? A. Yes.

Q. I wish you would go up from here as soon as you are through and find that draft and bring it down? A. Yes.

Q. It was copied exactly as it came into your office? A. Yes.

Q. Were you asked to give your legal opinion on it? A. Not at all.

Q. Who brought it to your office? A. I think it came by the ordinary course, by messenger, I think.

Q. From the Deputy Minister, would it not? A. From the records, but certainly it was referred to the Deputy before.

Q. This could not be on the records before. I am asking about the draft? A. That draft prepared by Mr. Chrysler came from the records to my office.

Q. Where are the records? A. It is a room opposite my own room.

Q. I want you to bring down the record at the same time on which you find it because we have been furnished with what we were told were all the papers in this matter, and now it appears that there is a record which we have not seen? A. I mean the records room. As to the draft prepared by Mr. Chrysler, I think it is in my office. It was only one copy, and this had to be executed in duplicate.

Q. I want you to find out where it came from and we will adjourn while you go up and get that paper and bring it down and any other papers that come with it, and bring them right back again? A. Very well.

The examination of Mr. Chasse was then adjourned.

OTTAWA, THURSDAY, February 29, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of EDOUARD PERRAULT, Engineer of the Public Works Department, continued:—

By the Chairman:

Q. You have been sworn already in this matter Mr. Perrault? A. Yes.

Q. Well, what is the date of this document which I now show you, and which I think is in your handwriting? A. It is dated November 20, 1908.

Q. That is November 1908? A. Yes.

Q. Do you notice the estimate accompanying these letters amounting to $79,354.85? A. Yes.

Q. Are they in your handwriting? A. No, it is not my handwriting.

Q. And it is made by a clerk? A. Yes, a clerk in my office.

Q. Those are the details of the calculation that you give? A. Yes, sir.

Q. Do you notice there the item for unwatering is $4,000? A. Yes, sir.

Q. Where did you get that amount of $4,000? A. It was an estimate which I had made from certain calculations after having visited the site, and from the soundings I had at my disposal. It was unwatering for the construction of a wooden dam, you know.

Q. Now, Mr. Perrault, the tenders for that work were in on the 18th of November. This calculation was given by you to the Department two days later, on the 20th of November? A. According to that letter, yes.

Q. Now are you quite certain that you did not get the sum of $4,000 from the tender of Kirby & Stewart? A. Oh, I am sure I had nothing at all to do with the tender of Kirby & Stewart.

Q. Now Kirby & Stewart in their tender put in for unwatering the of $4,000? A. That I don't know.

Q. Precisely the same figures as in your calculation? A. That I don't know.

Q. Don't you know that even now? A. No, I do not, because I have not had anything to do with the tenders from that time.

Q. Well, then did you tell anybody before the tenders were made at what you estimated the unwatering—what you estimated that unwatering would cost? A. I did not.

Q. Don't you think it almost an extraordinary coincidence that your estimate of $4,000 for unwatering should be precisely the amount Kirby & Stewart put into their tender? A. It is quite a coincidence.

Q. Would you call it an extraordinary coincidence, Mr. Perrault? A. Well, I don't know, but still I don't know how they could have come to the exact amount.

Q. Well, now, the other tenderers, one put in $15,000, another $20,000, and the fourth man put in a tender for $54,994 for the unwatering. Did your scheme or plan for a dam show what unwatering would be necessary? A. To make that plain.

Q. You made a plan for the dam? A. Yes.

Q. On that plan of the dam is there anything showing about the nature of the unwatering? A. No, sir.

Q. Was there anything in the specifications existing at that time to show what unwatering would be necessary? A. No, except what was shown on the plan as far as the depth of water was concerned.

Q. There was that much data? A. Yes, sir.

Q. But did the specifications set out that they would be required to coffer dam for instance? A. No, my recollection of the specification is that the unwatering the contractor was to do at his own risk.

Q. That is, he was to do any unwatering that might be necessary? A. Yes, the way of unwatering was his own way of doing, there was nothing to specify how he was to do it.

Q. There was nothing to specify how the contractor was to do the unwatering? A. No.

Q. Or to show that your Department would require him to do it in any particular way? A. No, sir.

Q. And on the other hand there was ample room was there not, for tenderers to have different opinions as to what kind of unwatering would be necessary? A. Yes.

Q. And that fact that they did differ was shown by the great difference between $4,000 in one case and nearly $55,000 in the other case being tendered for the unwatering? A. Yes.

Q. And the $55,000 tender was the one put in by the only one of the tenderers who knew that place intimately, that is to say by Mr. Lumsden, a lumberman there? A. Yes.

Q. Now I want to ask you this: You say you did not tell Kirby & Stewart what your figure was, but will you now tell me if you had given your estimate of what it would cost for unwatering to the Department before the 20th of November? A. I had given the Chief Engineer the amount of my estimate.

Q. For the whole work? A. Yes.

Q. How much? A. $80,000, if I remember.

Q. What did you allow in the $80,000 for the particular item of unwatering? A. The $4,000 which I afterwards put in my estimate.

Q. Did you give him figures showing these items or did you give him just a lump sum? A. A lump sum. He asked me for a lump sum estimate in order to get the amount of the percentage that is required in calling for tenders.

Q. Now, Mr. Perrault, had you supplied the Chief Engineer with your estimate of $80,000 in writing or verbally? A. Verbally, I think.

Q. You didn't give him the particular figures which made up this $80,000? A. Not until that time when the estimate was given on the 20th of November, if I remember correctly, I am under the impression that up to that date, in fact I am pretty sure I had not supplied him with the details of the estimate.

Q. You just gave him the sum of $80,000 in order that he might fix $8,000 for the tenders, that is as the amount of security deposited, being ten per cent of the $80,000? A. Yes.

Q. But you did not give him the details of the $80,000? A. I don't think I did sir.

Q. But you did not state up to that time to any one that $4,000 would be the amount of your estimate for unwatering? A. I did not.

Q. You are sure you did not? A. No, sir, I did not.

Q. When these tenderers were coming into your office looking at the plans, might you not have mentioned to some one that you thought $4,000 would be about the cost of unwatering? A. I don't think so, I don't think that in any way I gave any parts of my estimate to any one coming in.

Q. You were up at the lake yourself examining the ground? A. I was.

Q. How late was that, just prior to the tenders coming in? A. About a month before if I remember rightly, but I couldn't tell you now the date of course unless I went to the office and looked in my diary the day I was there.

Q. Do you think it was about a month before? A. Yes, I think it was about a month before.

Q. Might you have mentioned to any one there at the time what you would think it would cost to do the unwatering? A. No, I don't remember having done any such thing.

Q. Charging your memory with it and seeing the importance of the question, you cannot intimate to me any way in which any one could have found out your figures before you gave in that statement of November 20, to the Chief Engineer? A. No, unless, which I do not believe, the only one who had access to the figures is the clerk or draught-man who wrote these figures. He is the only one who had access to these figures.

Q. Had you made up these figures, I mean this estimate of $4,000, showing the $4,000, some days before you put them in? A. Oh yes.

Q. Who was the clerk? A. Huguet.

Q. Is he still in your employ? A. He is still in the Department of Public Works under Mr. Brophy.

Q. Is he in the city now? A. Yes, in Mr. Brophy's office, you know at that time you must recollect that I was also under Mr. Brophy who was the one in charge of that work.

Q. Yes, would any one else except you and Mr. Huguet have access to those calculations? A. No, sir, not that I know of.

Q. Is Mr. Brophy in town now? A. That I couldn't tell you. We had an office of our own separate from Mr. Brophy's office.

Q. Would Mr. Brophy be in the city at that time? A. Yes he was.

Q. Would he know those figures? A. No, he would not.

Q. So if it got out of your office at all it must have got out through yourself or through Mr. Huguet? A. Yes, that is all.

Q. You say this was made up some time before the 20th of November when you sent it in? A. Yes, sir.

Q. But the handwriting is that of Mr. Huguet? A. That one is.

Q. That is you mean that the copy which is attached here is in the handwriting of Mr. Huguet? A. Yes, sir.

Q. But that would be a copy from a table you had made out yourself? A. Yes.

Q. Would you have in your office the file of papers which would show the original? A. I have the original memorandum.

Q. Of which this is a copy? A. Yes, sir.

Q. Now this letter to Mr. Lafleur, the Chief Engineer, dated November 20, 1908, how would that be handed in to him? A. It was sent.

Q. Well was it sent by hand or through the mails? A. Not through the mails, if I remember correctly it was either delivered personally or through a messenger.

Q. And you cannot remember about that I suppose? A. No I can not.

Q. It is so long ago that it is difficult for you to remember that? A. Yes.

Q. You cannot remember either whether you went up and had a talk with Mr. Lafleur about it? A. I remember distinctly going to Mr. Lafleur some time previous when he asked me the total of the estimate, and I told him.

Q. But you did not give him the details of the estimate at that time, he says? A. No.

Q. The details were drawn up then? A. Yes.

Q. They were drawn up at that time? A. Oh yes, they were drawn up by that time.

Q But you did not tell him at that time what the details were? A. If I remember rightly he did not want the details, he only wanted the round sum on that date.

Q. Then in making $80,000 as the estimated cost of the wooden dam did you consult with the Chief Engineer, or is the calculation entirely your own? A. Entirely my own.

Q. You took the quantities from your dam plans and specifications and you estimated the prices which were charged for timber and that sort of thing, I suppose? A. That is what I did, sir,

Q. And you allowed a certain sum for unwatering which was the only thing not calculated closely? A. Yes.

Q. And you said $80,000 for the whole thing? A. Yes.

Q. And you told the Chief Engineer it would cost $80,000 the first time. He did not of course discuss with you how you made up that $80,000? A. No, sir.

Q. Later on, when you put in that detailed statement of November 20, 1908, did you discuss the details afterwards with the Chief Engineer? A. No, sir.

Q. Or with anyone else? A. If there had been any discussion or if there is any one to whom I have shown the figures it would be the Assistant Deputy Minister, Mr. St. Laurent.

Q. Do you remember having any discussion or criticism? A. There was no criticism that I remember of except that part I told you of in my last examination about having the tenders called by unit prices.

Q. Oh yes you told us about that? A. Yes, that is the discussion I had with him.

Q. But there was no criticism of the correctness of your figures in making up that $80.000? A. No, Sir. there was not.

Q. Well then I notice that in November, 1908, the Chief Engineer reported the cost of the dam to the Deputy Minister at $80,000? A. Yes.

Q. At that time the Chief Engineer must have been acting upon your verbal statement? A. He must have.

Q. He did not have before him any details to show what it would cost? A. No, he had not.

The examination of this witness was adjourned for a time.

Witness retired.

OTTAWA, THURSDAY, February 29, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman,
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of RODOLPHE DESROCHERS, Secretary of the Department of Public Works.

By the Chairman:

Q. In opening tenders for the Department of Public Works what is the practice as to the persons who shall be present? A. The Deputy Minister and Secretary. There is no fixed rule. They may be opened by the Deputy Minister and the Assistant Deputy Minister or the Minister and Deputy Minister.

Q. There is a rule that they shall be opened by two people, I understand, is there not? A. Yes.

Q. Does the Minister ever open them alone? A. No, not to my knowledge.

Q. Are they initialled when opened? A. Yes, they are initialled by both officers opening them.

Q. Has that practice been long in force, Mr. Desrochers? A. Always in force to my knowledge.

Q. Then after they are opened and initialled what is done with them? A. They are listed.

Q. Are they taken away by the Secretary? A. Yes, and handed to the Secretary's, secretary who makes a schedule of the tenders according to their figures.

Q. That of course would happen if the Secretary or his assistant were present at the opening of the tenders, but supposing you were not one of those present? The Deputy Minister would hand the tenders to the Secretary to be listed in the usual way.

Q. I want to draw your attention now to some tenders received in the fall of 1908 in connection with the Lake Temiskaming dam. You will notice they are endorsed W. P. which would, I suppose, mean Mr. Pugsley, the Minister, himself? A. Yes.

Q. We can find no other initials upon them anywhere—will you just see if you can? A. Is this all one tender?

Q. No, there are four tenders there? A. No, I see but one signature on these tenders, and the initials are W. P.

Q. And on the Kirby & Stewart tender besides the initials are the words "award contract"? A. Yes.

Q. Now in whose handwriting are those two words "award tender"? A. Mr. Pugsley's.

Q. Can you give any explanation as to why there are no other initials on those? A. None, except that it was evidently opened by the Minister.

Q. Do you mean to say—it is evident there are no other initials? A. I don't see any other initials.

Q. I don't ask you to guess as to why no other initials appear. You don't know whether the Deputy Minister was there when it was opened or not? A. Naturally I cannot say on that point.

Q. I am asking you to say from your memory if you can remember. You were not present when they were opened were you? A. No, sir.

Q. And consequently you do not remember who was present at the opening of those tenders? A. No, sir.

Q. You only know that it is the practice to put the initials of the parties who were present at the opening of the tenders, and you know that the practice was not followed in this case, if any one else was present with Mr. Pugsley? A. Yes, sir.

Q. It may be that there was no one present but Mr. Pugsley? A. I don't think so.

Q. But it may be? A. It is a possibility, but it would be very unusual.

Q. Very unusual? A. Yes, and although there are no initials appearing on the tenders of the second party, I am almost certain that there was one there.

Q. How do you know? A. On account of the practice.

Q. But rules are proven by exceptions? A. Yes.

Q. You base your statement purely on the ground that it is the practice? A. Yes.

Q. Not upon anything you know with regard to this case at all? A. No, sir, I have no knowledge of this particular case.

Q. Look at the tenders and tell me first whether there is anything in that form of tender which says on what date they shall be opened? A. I don't think the form of tender would show that.

Q. Can you tell me from anything on the tender what was the date in fact in which they were opened? A. The schedule should show that.

Q. Well in the first place, before we come to the schedule, the envelopes show on their backs the day they would be received in the office, don't they? A. Yes, but there is nothing on the envelope to show what date they were opened.

Q. There was nothing on the envelope to show what date they were opened? A. No, sir, not on the envelope.

Q. Nor on these tenders themselves? A. No, sir.

Q. Well, now I show you the schedule of tenders and I ask you if there is anything on the tenders to show on what date they were opened? A. According to the schedule I should judge they were opened on the 21st.

Q. Is there anything in the schedule which shows in so many words on what date they were opened? A. No, November 21, would to one initiated indicate that they were opened on that date, because the tenders are handed into the Deputy and that is the date I received them.

Q. If these tenders were opened and you were not present the tenders would have come through the Deputy Minister down to you? A. Yes.

Q. And I presume your schedule would be dated the day it was made up? A. Yes, sir.

Q. Consequently if they were kept by the Minister or Deputy Minister after being opened the schedule wouldn't show it? A. No.

Q. Then the schedule does not necessarily show the date opened? A. Unless it were an exception.

Q. The date which is put on the schedule, which schedule is prepared in your office, is the date the schedule is made up? A. Yes, sir.

Q. And if it happens after the tender is opened that it is sent to your office the same day, the two dates would be identical? A. Yes.

Q. But if a tender happens to be hung up by the Minister or the Deputy Minister, the date on the schedule is not the date of the opening? A. Precisely.

Q. Consequently if they were improperly opened or detained there is nothing on the tenders or the schedule to show what the date of opening was? A. Well, sir, if you will allow me to see the dates on which they were received. This one was received November 19, and this next one on November 19. There should be on the file something to show on what dates tenders were due. I think they were due on November 19.

Q. Here it is? A. Yes, here they were due on November 19.

Q. It was put in on that date? A. Yes.

Q. Would that include the whole day of November 19? A. Yes, up to 4·30.

Q. Following the practice of your department are tenders opened immediately after the time is up? A. As a rule the next day, very seldom the same day.

Q. Is that a positive rule that must be obeyed? A. No, sir.

Q. Does it happen frequently that they are not opened the next day? A. It does, but not frequently.

Q. But it does happen from certain causes? A. Yes.

Q. What causes might prevent them being opened the next day? A. Well work. I should say pressure of work.

Q. Or absence of the Deputy Minister? A. Yes.

Q. Or the absence of the Minister might prevent them being opened? A. Not necessarily, because the Minister as a rule does not open tenders.

Q. But we have in this case evidence that he did open tenders. However, there is no absolute rule that tenders should be opened at a certain hour of the day? A. No.

Q. What becomes of them after they are out of your offices before they are opened? A. They are put in the safe and the day following a memorandum is sent to the Deputy Minister that so many tenders have been received for such a work and are held in the safe pending his leisure to open them.

By Mr. Lake:

Q. Do you put the date and the hour they are received? A. I do but that was not the practice then. It is not marked here.

Q. It is not marked on the envelope? A. No, it was not the practice then this was in 1908.

Q. At the present time who has control of your stamping machinery in the office, I mean of the stamps by which you mark the hour? A. There is no stamp, I write it myself.

Q. You write that in every case yourself? A. Yes, in every case myself.

Q. Might not your assistant mark one? A. No, I mark it myself.

Q. Are you always there? A. No, when I say I always mark it myself I mean when I receive them I mark them myself, but when I am not there the Assistant Secretary receives them and he acts in my place.

Q. Are all sealed tenders brought in personally or do some come through the mail? They come through the mail and some are handed in personally.

Q. Every sealed tender must go to you personally? A. No, not necessarily There are some tenders addressed to the Minister or the Deputy Minister by people who do not follow the instructions, and they are put in my office unopened.

Q. If they happen to be marked tenders they are put in your office unopened, but suppose they come to the Minister or the Deputy Minister and are not marked as tenders? A. Why they are opened.

Q. Would you receive them in an opened condition? A. Yes, and put them in an envelope and put them with the others.

By the Chairman:

Q. Would they be considered with the other tenders? A. Yes.

Q. And if it happened to be the lowest tender, one of those opened tenders might be accepted? A. Yes, if they were regular and received in time.

Q. But there is irregularity about them because they are opened, and their contents are known to some one before the contents of the others are known? A. That would be to the detriment of the tender opened.

Q. Not always? A. It would give an opportunity to any one to put in a lower bid.

Q. Don't you consider there should be an absolute rule that no tenders should be considered which are not sealed up to the minute when all tenders are opened?

A. No, I don't think so. But they are sealed as far as secrecy is concerned when they are in my hands.

Q. But they have already passed through the hands of possibly the Minister, the Deputy Minister, and the Minister's Private Secretary, the Deputy Minister's office staff. It may be known by half a dozen people before it reaches you? A. Of course that is not a frequent occurrence.

Q. But it does sometimes occur? A. Yes, and those tenders are considered.

Q. How long have you been secretary Mr. Desrocher? A. A year and a half.

Q. What was your previous position? A. I was Assistant Secretary.

Q. How long were you in that position? A. A matter of 18 years I think.

Q. A matter of 18 years? A. Yes, no I think 18 years is too much, no it is since 1896, that would be 15 years.

Q. Who was the Secretary before you? A. Mr. Tessier.

Q. How long was he in that position? A. About a year and a half.

Q. Who was secretary when you came into the office? A. Of the Department do you mean?

Q. Were you not in the secretary's office at that time? A. No, I have had a varied record in the Department, I came in as an ordinary clerk in the lower division, that was in 1885, and I was afterwards taken in by Sir Hector Langevin during his last year's administration and afterwards I was Secretary to the Minister of Public Works, Mr. Ouimet, during his term of office, and then I was with Mr. Desjardins, till 1896, and in 1896 I was made Assistant Secretary in the Department.

Q. You have had a long experience in that office? A. Yes.

Q. Now is it part of your duty to prepare memoranda of Ministers to go to Council? A. Yes.

Q. Will you tell us what are the usual features in the preparation of these memoranda—how is it done? A. Well the instructions are generally from the Deputy Minister to prepare an R.C. (Report to Council), papers are handed in to me with instructions to prepare a report to Council, sometimes the instructions are to prepare a report according to the paper handed in. This paper might be a report of the Chief Engineer or some one else, on the lines of this matter.

Q. You get on the bottom or on some piece of paper, "Prepare R.C., Signed J.G.M." or something of that kind? A. Yes.

Q. Or you may receive verbal instructions about it? A. I do.

Q. And you prepare a rough draft? A. No, I study the documents that are handed to me and bring down a stenographer, and after studying the question I dictate to this stenographer, that is after I have it well in my mind, I dictate it to the stenographer and he takes it down and brings it to me.

Q. And the next step is to do what? A. Send it to the Deputy Minister.

Q. You send it up officially in an envelope? A. Send it in by the messenger.

Q. You send it in by the messenger? A. Yes, Sir, to the Deputy Minister's private secretary and she hands it to the Deputy Minister.

Q. Who is supposed to look it over? A. Yes, and if he has any alterations to make he makes them and returns it to me, the alterations, if any, are made and is returned to the Deputy Minister to be submitted to the Minister.

Q. Then the responsibility of preparing the memorandum is evidently yours? A. Yes, Sir.

Q. And the responsibility of adopting the memorandum would be the responsibility of the Deputy Minister? A. Yes.

Q. We are trying to fix the responsibility with reference, that is the real responsibility with reference to certain memoranda which we think are not sufficient in their terms, and we inquired of the Deputy Minister yesterday, and he was disposed to say, "Well it is true that I looked over them, but I am not the responsible party, it is the secretary"? A. Yes.

Q. I may say personally that I do not acquiesce at all in that view, because I could not see why the memorandum should be sent to the Deputy Minister at all if the official responsibility was not to be his. Now with that explanation I want to put this question to you: Do you not send documents to the Deputy Minister on purpose that he should revise them if he is not satisfied with them? A. Well, it is the intention, but the document should be perfect when it reaches him, as far as possible.

Q. Then it should be as perfect as you can make it? A. Yes.

Q. It represents your opinion upon the document? A. Yes.

Q. And in the course of practice in many cases don't you and the Deputy Minister get together and discuss whether it really expresses, that is whether the document does properly express what is wanted? A. Yes.

Q. You have frequently done that? A. Yes, we have.

Q. The Deputy Minister has sent for you and has said: "Mr. Secretary, I don't think that is exactly the expression that we need," and you have consulted together and altered in some cases what was put there? A. Yes.

Q. That indicates that the Deputy Minister does not really receive your document and take it as a matter of course, but exercises the right of criticism? A. Oh, yes.

Q. And you insist that he has the right to criticise? A. Oh yes, he has the right to criticise and the duty as well.

Q. And you think he has the duty as well of criticising? A. Yes.

Q. In other words the sole responsibility is not yours? A. No

Q. With reference to the Minutes to Council that were prepared on the Lake Timiskaming matter do you remember having at any time any discussion with the Deputy Minister concerning the framing of these documents or any of them? A. No, sir.

Q. Did you look this morning to see whether he had any original drafts of them in your office in any way? A. I have with me the reports to Council which were made and on which were passed those orders you have there. The wording is the same in every respect.

Q. You brought with you the recommendation—is there a file in your Department? A. Yes.

Q. Now, would these recommendations you have brought be the drafts as you sent them to the Deputy Minister in the first place? A. No, sir, because sometimes they were altered.

Q. That is what I wanted to get, of course we have from the Order in Council what you sent to Council, but have you any data showing alterations? A. Yes, there is one where I find they did not go as I had it. When my original drafts are corrected or altered the drafts prepared are destroyed, that is they are not kept.

Q. You have nothing then to show whether any alterations took place in your drafts in this case or not? A. No, except from memory.

Q. And from memory you can only remember one date? A. Yes.

Q. That is the one date of February 18, 1909, which was altered in the second paragraph? A. Yes.

Q. But you cannot remember what the alteration was? A. Some addition to make clear what the importance of this work was.

Q. Have you any data up there showing what the alteration was? A. No, there is nothing at all. I do not keep the drafts on which alterations were made when alterations were of any importance. They were of no importance that I can see.

Q. Well, with reference to that particular order I have been curious all along to know what was the meaning of the expression: "Moreover a great factor in the cost of concrete was the cost of coffer damming?" A. That very wording was added in there.

Q. By whom? A. By the Deputy Minister.

Q. Yesterday, he could not explain the meaning of it? A. Well, at the time I made a memorandum of the corrected copy. The instructions came to me to make the corrections by Mr. Tessier, who was then secretary, and I was assistant. I received instructions from Mr. Hunter through Mr. Tessier to make these corrections, and I told Mr. Tessier that I thought he had misunderstood Mr. Hunter's instructions, because this did not fit in there.

Q. You could not see the relevancy of it at all? A. No, and as Mr. Tessier has not a very good knowledge of these things, I thought perhaps he had not taken Mr. Hunter's instructions correctly, I told him so, but he said, I think it is all right, and so I made the corrections, but to make sure I made a note: "I do not see that this fits in." I sent it in in that way, but my recommendation came back signed by the Minister and went on to Council.

Q. Now, with reference to all the Orders in Council bearing on this Timiskaming Dam, do you remember whether you drew them yourself personally? A. I had to deal with them, some of them I simply put in form, now for instance, the one which withdraws the contract from Kirby & Stewart was handed in to me by the Assistant Deputy Minister.

Q. That is the one of August 5, 1911? A. Yes, and I simply put it in form, no, the one of January 4, that is the one I mean, not the one of August 5.

Q. Well, which is it, both of them or one of them? A. Well, the one of January 4 was put in form, I mean was simply changed in order to make it in the form of a recommendation.

Q. It was put in to you by the Deputy Minister? A. No, the Assistant Deputy Minister, and I simply put it in the form of a recommendation to Council.

Q. You mean you simply added the formal words? A. Yes.

Q. But the language is theirs and not yours? Yes, all the data is the same.

Q. And the whole form of the Order is the same, except the formal part? A. Exactly, and it is the same with the one August 5, 1911, cancelling the contract with Kirby & Stewart.

Q. Was that the Deputy Minister or the Assistant Deputy Minister who handed that one to you? A. The Assistant Deputy Minister.

Q. Those are the two important ones, of later dates. Now, going back to the one of November 11, 1910, was that your personal preparation? A. Yes.

Q. Now, I want to draw your attention to what I think is a mis-statement in that. It says, speaking of the carrying on of concrete work. "This further work is not provided for in the contract," and the contract of 22nd July, 1909, is there referred to, and at page 6 of the amended specifications of that contract you find these words: "winter work—the concrete will be laid during freezing weather only under rigid instructions as to the precautions to prevent freezing, work will be stopped and resumed as directed, and material and plant will be kept heated." In face of that how could you say that winter work was not provided for in the contract? A. Well, I don't know how that occurred. But when I drafted that R.C. it was on material that was then before me, it was based on reports that were handed to me with instructions to prepare a R.C., and I must of got that in some of the reports. There must of been something from the Assistant Deputy Minister there because I could not invent it.

Q. In a case of that kind where a provision is to be made and an insertion is contained as to what the contract does or does not contain, would you get an opinion from the law office of the Department? A. No.

Q. You would not venture to make such an assertion without authority? A. In the preparations of these recommendations certain material is given to me, and I base the recommendation or report to Council on material in my hands at the time, on what is thought sufficient for the purpose. But I must say in connection with both of these R.C's., they were handed me with the files and the instructions to have the work carried out immediately, rushed. There was no time to prepare an elaborate

study of the matter and sometimes a report may not be as clear or as well prepared as it should be, and as it would be if I had had time.

Q. You will notice here in this particular Order the existence or not of a provision on that point is the keystone of the Order. It is the foundation upon which the whole Order is based. It is an assertion of the law on the case. Now, in such a case as that following the usual practice, would you look at the documents or require a general statement from some one? A. Yes, I would not take upon myself to interpret a legal form.

Q. Or even to go over a contract and say it did not provide for a thing of that kind? A. No, those statements are brought in. The reports themselves on which are based the report to Council are brought in—there should be documents there, a report from some of the officers which contains the matter embodied in the recommendation to Council. If you have a document there on which this was prepared——

Q. I find here on the 7th of November a letter from Mr. St. Laurent to the secretary upon which the R.C. was prepared? A. Then that would be the document.

Q. And he says this, and your R.C. appears to have adopted the very language. "The carrying on of the concrete work during the winter will necessitate the housing of the section of the dam to be built, and the installation of a heating system not provided for in that contract." Consequently you depend for that statement upon Mr. St. Laurent, the Assistant Deputy Minister? A. Yes.

Q. Mr. St. Laurent appears to have been moved to deal with this matter by a report which he had received from Mr. Coutlee dated 7th November, 1910. Mr. Coutlee was the Engineer in charge, and in this letter to Mr. St. Laurent there is nothing said expressly to the effect that the work was not provided for in the contract, although it is fair to say that he suggested that the Government should undertake to do the work at their own cost and charges, and in doing so he was proceeding upon the idea that it was not provided for in the contract. The peculiarity about this thing is that both Mr. Coutlee and Mr. St. Laurent have been unable to explain why they did not ask for the work to be done under the contract. Mr. Coutlee had prepared the specifications and Mr. St. Laurent had been in general charge of the whole scheme from the beginning, and yet when we draw their attention to the provision in the subsection and ask them why they say these things in the letter and the memorandum to Council, they are not able to give us a satisfactory answer.

By Mr. Ducharme:

Q. Have you any knowledge at the time of the Auditor General having interfered in this contract at any time? A. Yes, there has been quite a correspondence with the Auditor General, the correspondence I think is included in the file.

Q. Why was not the fact of the Auditor General's objection mentioned in these memoranda to Council? A. Well, it was not considered necessary, I suppose. The documents on which my recommendations were based did not cover any section of the Auditor General's.

Q. Do you remember considering and discussing with any one whether as a matter of fact the objections of the Auditor General ought to be mentioned in a memorandum to Council? A. No.

Q. And are you conscious now that you considered the matter at all at that time? A. No, it never entered my mind.

Q. That is your explanation then? A. Yes, it never entered my mind.

By the Chairman:

Q. You are aware that he had made an objection to the change from wood to concrete without asking for new tenders? A. Yes, I was aware of that.

Q. You were aware of that at the time? A. Yes, I was.

Q. And the fact that he raised that objection is not mentioned in any memorandum to the Minister? A. No, because it did not appear necessary. As a matter of fact it did not enter my mind.

Q. The Minister had overridden the objection in any case? A. Yes, and the Council would have simply ratified that in any case.

Q. I wouldn't say that, because in saying that you are only guessing. However, it is a fact that the Minister had overridden the objection in any case? A. Yes.

Q. That was shown by the fact that you were ordered to prepare that memorandum to Council? A. Yes.

Q. And therefore you did not consider it necessary to mention the Auditor General's objections in the memorandum? A. It was not for my consideration.

By Mr. Ducharme:

Q. In these papers brought down to you to prepare the recommendation there was nothing of that kind mentioned? A. Nothing whatever.

Q. These are in writing or verbally? A. No, sir.

Witness retired.

OTTAWA, Thursday Morning, February 29, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of GEORGE HUGUET, Draughtsman of the Public Works Department.

Examined by the Chairman.

Q. Mr. Huguet, in 1908 you were engaged in the office of Mr. Perrault? A. Yes.

Q. Do you remember having got some figures of an estimate concerning the Lake Timiskaming dam? A. I think so, yes.

Q. I now show you a copy of an estimate covered by Mr. Perrault's letter of November 20, 1908, is that in your handwriting? A. Yes.

Q. You remember that at the time tenders were being asked for by the Department of Public Works for the building of that dam? A. Yes, sir.

Q. And the plans and specifications were in Mr. Perrault's office? A. Yes, I made the plans myself.

Q. You made the plans? A. Yes.

Q. Contractors were there from time to time inquiring about the plans and wishing to see them, I suppose? A. Well, I have seen two of them going in to see Mr. Perrault.

Q. Who were they? A. Mr. Kirby.

Q. Kirby & Stewart were one firm? A. Yes, it was Kirby & Stewart I suppose.

Q. And Mr. Rainboth, a contractor here? A. I think he was called, yes.

Q. Well, Mr. Huguet, what would they be able to see there? A. They were in Mr. Perrault's office and I was in a big room working at the plans.

Q. Now, you will find in these figures here which you have just said you copied, that one item is "Unwatering, $4,000." A. Yes.

Q. By the way, do you remember making that copy, can you call to mind that estimate, of writing that copy? A. I remember when I made it.

Q. You remember when you made it? A. Yes.

Q. Would the original from which you made that copy be lying in your office for some time? A. No, Mr. Perrault had it and as soon as I was through I handed it back to him again.

Q. You handed it back to Mr. Perrault as soon as you were through? A. Yes.

Q. And he would have it in his office for some time, I suppose? A. Yes.

Q. Did you show these figures to any one, Mr. Huguet? A. No, I never did.

Q. Did anyone ask you to see them? A. Never, no sir.

Q. You don't know how any one ever got to know about that estimate for $4,000? A. No, I do not.

Q. However, you did see those contractors in there talking to Mr. Perrault? A. I saw Mr. Kirby and Mr. Stewart there just in Mr. Perrault's office, not in the office where I was working at the time.

Q. You handed it back to Mr. Perrault as soon as you were through? A. Yes.

Q. And he would have it in his office for some time?

By Mr. Lake:

Q. Was it customary for contractors to come in to get information before making tenders? A. Oh, no, he may have called two or three times, you know.

By the Chairman:

Q. They would have to call there to see the plans, I suppose? A. The plans were there in my office.

Q. The plans were in your office? A. Yes, but they did not come to see those plans.

Q. Didn't they ever see the plans? A. I don't think so.

Q. How would they be able to make up the quantities for the tenders? A. I don't know.

Q. The plans were in your office, you say? A. Yes.

Q. And you say neither one of those contractors ever saw the plans in your office? A. I don't remember.

Q. Could they see them when you were out, Mr. Huguet? A. No, the office was locked and I keep the key when I am out.

Q. You kept the plans in a safe? A. No, there is no safe there.

Q. Where were they? A. On the table.

Q. Could any one look over your shoulder at the plan on the table? A. No.

Q. What did you do with the plans at night? A. The plan I was working on lay on the table all night.

Q. Was there any other plan there? A. No.

Q. Did the Public Works Department have a copy of the plan there in the Department? A. Not while I was making the original.

Q. Right up to the time you copied those figures? A. Yes.

Q. So that any contractor who saw the plan would have to see it there? A. Yes.

Q. Well, Mr. Huguet, how could they put in tenders without seeing the plans? A. I don't know.

Q. Could Mr. Perrault show them the plans without your knowledge? A. Oh, yes, certainly.

Q. How could he do it if you were always there? A. As soon as I was through with those plans I used to hand them to Mr. Perrault.

Q. You would hand the plans to Mr. Perrault as soon as you were through with them? A. Yes.

Q. But, on November 20, you said you were not through with them? A. I didn't say that, did I?

Q. I understood you to say so when you made out that estimate the tenders were all put in on November 18 or 19? A. I could not remember exactly the date that I made those copies.

Q. You were aware that tenders were going to be put in? A. Yes.

Q. And you were getting the plans ready? A. Yes.

Q. You can remember whether that was about the time the tenders were being put in can't you? A. In November.

Q. Yes? A. I don't know.

Q. Well, you don't remember at any time having any contractor come in to look at the plans? A. No.

Q. You never saw any one doing so? A. No, I don't remember.

Witness retired.

OTTAWA, Thursday Morning, February 29, 1912.

PRESENT:

Honourale A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of Mr. CHASSE, recalled.

Examined by the Chairman:

Q. Mr. Chasse, you went to get some papers a little while ago? A. Yes.

Q. Did you get them? A. Yes, that is the only paper I could find, Mr. Morine.

Q. The only paper that you have is a copy or draft of the agreement signed on October 5, 1911? A. Yes.

Q. And that draft bears upon the back of it the name of 'Chrysler, Bethune & Larmonth, Barristers, Ottawa,'? A. Yes.

Q. It was from their office it came? A. I don't know.

Q. How did it come to you? A. I would like to look at the file because I have noted this agreement, of course the number on the file—what is the number of that agreement on the back—yes, agreement filed under No. 8622.

Q. That is the only agreement that was made with them? A. Well, yes, that is it. It has been referred to me with the file, and I have noted that.

Q. Referring to a letter from the Deputy Minister of Justice to the Deputy Minister of Public Works, dated July 6, 1911, you see that these words on the margin of the letter "Agreement filed under No. 8622, J.A.C.," you see those words there? A. Yes.

Q. And you say that those words are a memorandum made by you? A. Yes.

Q. But what does the endorsement convey to you? A. The agreement was in that file and they asked me to have it executed, that is all, but I don't know how it comes there.

Q. Now, that document does not show that the agreement was on that file at all? A. No.

Q. What I want to know again is where you got that agreement from? A. Well, it was with the file, Mr. Morine, I don't remember. The file has been referred to me for execution of that agreement.

Q. You say it was with the file referred to you? A. Yes.

Q. Where would you get the file from? A. From our records.

Q. Who would tell you to go to the records and get that file? A. It was ordered from the records to my office.

Q. Some one must have asked you to do something, either in writing or verbally? A. I took that agreement and went to the Deputy Minister's room, Mr. Hunter's room.

Q. You mean that draft with the name of Chrysler & Company on the back? A. Yes, and he took it and read it and said all right, I will sign that.

Q. Still I want to know where you got it from, that is what I want to know—where did you get it from? A. It was in this file.

Q. You say: in this file, but where did you get the file from? A. From our records.

Q. Who told you to get it? A. No one, but the file has been sent to me, I don't know by whom.

Q. You say it has been sent to you—surely you would get instructions to do something? A. Every day I receive files.

Q. But you would be told to do something wouldn't you? They wouldn't simply send that file down to you and never give you any instructions. They must have written or told you they wanted you to do something with that file when you got it? A. The file came to my office and I took that file with this agreement, that draft there, and I went to the Deputy Minister and I said: shall I have to prepare a duplicate of this agreement, and he read it and said all right, I will sign that.

Q. Now, I want to know, when that file came to you, did you get a written order as to what you were to do? A. No, the file was referred to me and I didn't know what I had to do, I didn't see any instructions on the papers so I had to go and look for my instructions. I often receive papers that way and I don't know what I have to do so I go and inquire. I received the file of papers and this agreement was lying on the file, but was part of the file, the front page of it. Not knowing what I would do I went to the Deputy Minister and inquired.

Q. And he told you what? A. He told me to have an agreement made and that he would execute it.

Q. This document then, I understand, was lying loose on the file, it had never been attached to the file? A. No, it was on the file loose.

Q. Would these papers come into your office from the records branch or from the Deputy Minister? A. They were coming from—I think they were coming—I have no knowledge.

Q. You don't know where they came from? A. They came from the records.

Q. Are you sure? A. Well——

Q. Where did you find them? A. On my table.

Q. And you don't know where they came from? A. I suppose—

Q. You are on oath, and never mind supposing. Mr. St. Laurent might have left them in your office, as he had charge of this matter? A. I don't know.

Q. Well, just put it in so many words that you don't know where the papers came from to your office? A. No, I suppose—

Q. Don't suppose anything now. You just found them on your desk. A. Yes, sir.

Q. When you found them you had no instructions? A. I didn't know what I had to do, so I went up to the Deputy Minister.

Q. The Deputy Minister or to the Assistant Deputy Minister of Public Works? A. I went to the Deputy Minister.

Q. And he told you, to copy this agreement? A. That he was going to sign that agreement.

Q. He said it was all right? A. Yes, I don't know anything about that.

Q. Was your opinion asked about that agreement, Mr. Chasse? A. Not at all, sir.

Q. You were not consulted about it at all? A. No.

Q. Then you did not examine it to see whether it was right or wrong? A. No, I read it.

Q. But you didn't know anything about it- A. No, I hadn't been asked anything about that.

Q. Did you compare it with the Order in Council to see whether it carried out the words of the Order in Council? A. No.

Q. You did not compare it with the Order in Council? A. No, I don't remember, that I did.

Q. I want to find out what you were ordered to do, for it is important for you whether you were asked by the Deputy Minister to examine that agreement and compare it with the Order in Council and to see whether the agreement was right or not? A. I don't remember that.

Q. Were you told simply to make a copy of it and bring it up to be signed? A. Yes, I handed the document, the draft, to the Deputy Minister, and he examined it and I asked him if I had to prepare this agreement, and he said yes, to have it prepared in duplicate for execution.

By Mr. Ducharme:

Q. When you prepared that contract with Messrs. Kirby & Stewart, were you made aware that the Auditor General had objected to this contract being given out until new tenders were asked for? A. No, sir.

Q. You were not aware of that? A. No, sir.

Q. You never saw a document to that effect? A. No, sir.

Q. When you receive instructions to prepare any contract of any kind, who raises the legal points that might arise? A. Well, when I received instructions to prepare a contract I take the tenders, the Order in Council, and I prepare my contract when it is a formal contract, when we are using the usual forms, and when it is a special agreement, not using those printed forms, I prepare my draft and submit it to the Deputy Minister.

Q. Therefore, anything you do is submitted to the Deputy Minister? A. Certainly.

Q. And if there should be any legal question arise it is for him to find that? A. Certainly, he asks me sometimes my legal opinion and I give it to him and he refers matters to the Department of Justice.

Q. When you give any advice of that kind is it always followed? A. Oh, yes.

Q. As a general rule? A. Yes.

Q. Do they not override that sometimes? A. Well, generally I give a very good opinion.

Q. But sometimes don't they go above your opinion? A. Sometimes my opinion has been put aside.

Q. Was it in this case of the Timiskaming Dam? A. Oh, no.

Q. Now, you have this contract here dated the 22nd of July, 1909? A. Yes.

Q. What do these words on the back mean? A. The words on the back, the endorsement, does not mean anything.

By the Chairman:

Q. I was asking you about this draft contract of Mr. Chrysler, whether you did anything more than just copy it, or not? A. Oh, nothing more than copying it.

Q. And you were not asked to do anything more than copy it? A. No.

Q. The reason I asked you is this: the punctuation in the contract is different from the punctuation in the Order in Council. You understand what I mean by that? A. Yes.

Q. And it may be that in one particular the change is important. Now if that draft contract were given to you by the Deputy Minister with a request that you should examine it to see whether it was right, and according to the Order in Council, you would be responsible for the punctuation? A. Yes, but I am not responsible for the punctuation, because I have not been asked to compare the conditions contained in this agreement with the conditions embodied in the Order in Council.

Q. You say you were simply told to copy the agreement and get it ready to be signed? A. Yes, sir.

By Mr. Lake:

Q. Mr. Chasse, you said that at the time you drew up this contract you had the file of papers before you. I am speaking of the original contract of the 22nd of July,

1909. I understood you to say that you had the files before you at that time? A. Well, for the preparation of this contract I had the tenders, all the tenders in my office, and I had the Order in Council.

Q. Then, you had not the files of correspondence in connection with this particular contract? A. Well, I may have had the files then, and some other papers.

Q. But you don't remember anything in particular. A. Well, no, what I specially need in the preparation of the contract is the tender and the Order in Council. Those are the two instruments that I need.

By the Chairman:

Q. It is the Order in Council that governs you in drawing a contract? A. Yes, the tenders and the Order in Council and the specifications.

The witness retired.

OTTAWA, Thursday Morning, February 29, 1912

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of Mr. PERRAULT. (Continued):—

By The Chairman:

Q. Mr. Huguet says that to the best of his memory no one ever saw the plans of the dam in the outer office where he was? Now did you ever show the plans to any of the contractors in your inner office? A. I guess all the contractors who were tenderers saw the plans in the office.

Q. Now, in that inner office, where you were? A. Not in the inner office, but where Mr. Huguet was.

Q. Mr. Huguet then is mistaken, if he says that no contractors saw them there? A. Yes, because the plans were on exhibition there.

Q. Where did you keep your figures? A. In my office.

Q. In your inside office? A. Yes.

By Mr. Ducharme:

Q. Is there not a letter here, a report from Mr. Coutlee, dated the 17th of June, 1909, that the dam built at the present location will amount to $186,361.22 which letter is signed by Mr. Coutlee and Mr. Matheson? A. Yes.

Q. Now, you see in the Order in Council and the memorandum of January 4th, 1911, that it is mentioned that the cost of the dam now revised would be $176,840.00? A. Yes.

Q. Now, was there such a calculation made in the Department from June, 1909, to January 1911? A. I had nothing at all to do with it, if there has been. I have no knowledge of it.

Q. You have no knowledge of this estimate? A. No, I have no knowledge of those estimates of Mr. Coutlee or Matheson or of the Order in Council.

Q. Well, would the estimate of any contract to be submitted to the Council be made up in any other office than yours? A. As I previously told you, at my first appearance here, I had been relieved, and I had nothing to do with the concrete dam. And after the change was made from the wooden to the concrete dam I had nothing more to do with the matter one way or the other.

Witness retired.

The Commission adjourned until 3 P.M.

OTTAWA, Thursday Afternoon, February 29, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of EUGÈNE D. LAFLEUR, Chief Engineer of the Public Works Department.

Examined by the Chairman:

Q. Your position is that of Chief Engineer? A. Yes.

Q. How many years have you held that position? A. I have been acting Chief Engineer since 1898, and I have been officially Chief Engineer since 1905.

Q. And before 1898 you have been in the employ of the government? A. Yes.

Q. For a number of years, I suppose? A. Going on thirty-one years.

Q. Do you remember the Timiskaming matter? A. I do.

Q. In the first place a wooden dam was proposed? A. Yes, that was the first contract that was let.

Q. And the survey plans and so forth, in the first place, were under the direction of Mr. Brophy, were they not? A. Yes, that is to make the contract plans and specifications. That was under the direction of Mr. Brophy, but I think the original survey was made by the Georgian Bay Canal survey.

Q. Now what position did Mr. Brophy occupy at that time? A. Superintendent of the Ottawa River Service.

Q. And in that capacity he would be an outside man from your Department answerable to you, I presume? A. Under my orders.

Q. What I mean by an outside man is that he did not have a desk in the public building, did he? A. No.

Q. As a matter of fact, the plans for the wooden dam had been made by Mr. Perrault, it appears? A. Yes.

Q. Who was under Mr. Brophy at the time? A. Yes, at the time.

Q. And was your connection with the wooden dam and the concrete dam much more than nominal, Mr. Lafleur? A. It was, that is, I discussed the matters as they came up with the Assistant Deputy Minister and Engineer in charge, Mr. Coutlee, but apart from that, I did not have what you could call the ordinary superintendence that I would have had for other work.

Q. Of course, Mr. St. Laurent being himself an engineer, and Mr. Coutlee being the Engineer in charge, I presume you did not take a very real oversight of the work? A. No, I cannot say that I have.

Q. I find that in November, 1908, or possibly at the end of October, 1908, tenders were invited by public advertisement and the advertisement fixed eight thousand dollars as a deposit, that being ten per cent upon an estimate that the work would cost $80,000. I am telling you this to remind you of this, that Mr. Perrault says he made that estimate in a verbal way to you, and later, during the month of November, he prepared the details of his estimate? A. Without seeing the correspondence, I could not say exactly whether that is the case or not.

Q. You cannot recall that exactly? A. No, sir.

Q. Can you recall whether at any time you went through the details of his estimate to see whether you agreed with it or not? A. No, if anybody went through that estimate it must have been either Mr. Coutlee or Mr. St. Laurent.

Q. Mr. Coutlee did not, because when he came in it was changed to concrete, and there was no need of going through the estimate for the wooden dam. Then you

remember that when it was decided to change to concrete new plans and specifications were ordered? A. Yes.

Q. And Mr. Coutlee was put in charge of the work and made the plans and specifications? A. Yes.

Q. And when it was to be recommended to Council that the change should be made from wood to concrete, Council was informed that the change would bring Kirby & Stewart's tender up to $108,000 and some odd dollars. That estimate was based merely upon the supposition that the concrete would take the place of the wooden dam without any change of location, and it was a mere matter of measuring up the quantities and applying the tender rate for concrete to it. Mr. Perrault has said he made up the quantities and he came to that conclusion by means of that calculation. Do you remember having had anything to do with the calculations? A. None that I can remember.

Q. The reason I asked you is this. In the original estimate for the wooden dam, prepared by Mr. Perrault, he included $4,000 for unwatering? A. I remember that figure.

Q. And later when the figures for the concrete dam were estimated in the way I have just mentioned, they still contained $4,000 for unwatering. Now, I have asked Mr. Perrault to-day and Mr. St. Laurent yesterday if anybody considered and discussed what would be necessary in the way of unwatering? A. At the time contract was let I do not think I discussed the matter at all. But, since then, in discussions with Mr. St. Laurent and Mr. Coutlee, I thought the amount was very small indeed for such an expensive work.

Q. What I want to get at is this, whether you could, from your knowledge of the matter, say whether in connection with the wooden dam or later with the concrete dam, before the contract was eventually signed, the question of what would be necessary in the way of unwatering, and the probable cost of the same was ever discussed? A. No, not at the time, and I may say so far as practical engineering is concerned, it is at times very difficult to tell beforehand what would be the exact cost of unwatering. It depends upon circumstances and the nature of the bottom, and so on.

Q. Of course, we would not expect the estimate to be anything more than approximate, but here was a case where a concrete dam was to be built, divided into two parts, across two channels, and one of them a deep and rapidly rushing bit of water on a rapid. Concrete work, of course, in order to be laid, must be dry when it is laid? A. For that class of work, yes.

Q. Then that would naturally give rise to the question to say to oneself: 'In what way will the underwatering be done in this work'? A. Naturally.

Q. And in order to inform the Government of what the cost might be, I should think there ought to be some considered estimate of the approximate amount which such unwatering would cost? A. As I said before I do not think I had anything to do with that question at the time.

Q. That was the reason I asked you at the beginning whether your connection was more than nominal, because from all the evidence we have had it appears to us that Mr. St. Laurent, the Acting Deputy Minister of Public Works, and Mr. Coutlee the Engineer in charge took the care and responsibility of the work upon themselves? A. More or less, yes, that is only consulting me some few times as to what had really happened at the time.

Q. And your connection with the matter therefore was nominal except that you happened to be invited to express an opinion about the matter on a few occasions? A. That is it.

Q. The extraordinary feature of it, and which leads us to ask you about it is this: in the tenders for the wooden dam the figures given by four of the tenderers for unwatering were in the first place $4,000; in the second place $15,000; and in the third place $20,000; and in the fourth place $54,000? A. That last estimate turned out to be closer to it in the long run.

Q. That showed an extraordinary diversity of opinion as to what it would cost? A. Yes.

Q. And naturally gives rise to this thought that if the lowest tenderers are only counting on $4,000 for unwatering, there is danger that their tender will be so inadequate that they cannot eventually carry out the work? A. I suppose you know the rule of most of the Departments in connection with such work that the lowest tenderer is always accepted.

Q. Now, with all your experience, do you consider that rule a safe rule, Mr. Lafleur? A. It is just this way. I have questioned that rule a number of times, and still there is one feature of it that I consider fair and just as far as the engineers are concerned. If on the recommendation of the Chief Engineer any other tender that there might be collusion between the contractors and the Chief Engineer.
that there might be collusion between the contractors and the Chief Engineer.

Q. That is having regard to what might be said, but having regard to the work itself do you consider that a safe rule? A. It is a bad rule.

Q. Now, take in the first place, the experience and general ability of contractors ought to be considered in relation to giving out important contracts, shouldn't they? A. Certainly.

Q. In this particular case, Kirly & Stewart formed a partnership for the express and only purpose of constructing this dam? A. So far as I know personally, I think that is true.

Q. Yes, and Mr. Kirby has said that. And as far as you know they had had no contracts dealing with what you call hydraulic works? A. No.

Q. And that is a class of work that requires peculiar experience, does it not? A. Yes.

Q. One would say that experience ought to be particularly important in relation to the question of coffer damming and unwatering and work of that sort? A. More especially that than anything else.

Q. Under circumstances such as surround this dam? A. Yes.

Q. Then a contract is awarded and there is a deposit of eight thousand dollars as a security, a mere bagatelle compared with the eventual cost of that very work of coffer damming, and they start out on the work? A. Yes.

Q. Now, in such a case as that, should not the engineers' considered estimate of what that work would cost be at hand? And be considered when the tenders are being opened? A. It is generally the rule, that is the rule that I adopt that my estimate is always put into the hands of the Department before the tenders are received.

Q. Precisely? A. That is a couple days before the tenders are received they are notified by the Secretary of the Department that tenders will be received on such a date for such a work and to let him have my estimate.

Q. In this particular case we find that Mr. Perrault put into his estimate $4,000 as the cost of unwatering, and, strangely enough, Kirby & Stewart put exactly $4,000 in their tender. Kirby & Stewart were unacquainted with the locality in any exact way, and it naturally raises the question of whether they knew of Mr. Perrault's expectation as to what it would cost and so fixed their figure at precisely the same amount, but in any case Mr. Lumsden, one of the tenderers, and the only one who knew the river at all well, because he was a lumberman carrying on business right there, says that from the very outset it was self-evident that the unwatering of the Quebec side was going to be a work of difficulty and great expense, and he estimated the cost at not less than $55,000. It seems extraordinary to us that the estimates of such a work as that could have been left to a man of Mr. Perrault's character without any criticism apparently? A. As to that I cannot take the responsibility because as I told you, I was not acquainted at the time with those figures. I became acquainted with them later on.

Q. Then, when the change was made from wood to concrete, very many questions as to coffer damming would be raised by that change, wouldn't it? A. Certainly.

Q. Because to construct a concrete dam you could not commence to do it in the free and easy way you could a wooden dam? A. No.

Q. You could not build piers and send them out and sink them? A. No.

Q. It necessarily involved some form of coffer damming around every pier or across the whole stream while the construction work was going on, didn't it? A. Yes.

Q. Did it occur to you as strange that in the estimates for constructing a concrete dam, the estimate of the cost of unwatering was never changed from $4,000.

A. Of course, as to that, I do not consider it was in my province to say whether it is or not, but my own experience would show that in building a concrete work it would necessarily entail more coffer damming than cribwork.

Q. Well did you ever personally consider that question in relation to the concrete dam when the estimates were presented? A. Not when the estimates were presented.

Q. You did not when the estimates were presented? A. No, afterwards I did discuss the question with Mr. St. Laurent.

Q. Later on, when some trouble arose? A. Yes, when the trouble arose.

Q. Now, speaking generally, and appealing to your experience in the matter, we have been very much impressed as commissioners with the thought that the initiation of works is undertaken without sufficient examination and careful consideration under the present lack of system? A. Well, I cannot say that as a general rule. There may be some cases, but I think from my experience in the Department that they are the exception far more than the rule.

Q. Well now, take this case. A work is proposed and is reported upon by the District Engineer, and he makes his plans and sends them up to your Department. You never visit the works? A. Very seldom do I visit the work.

Q. The performance of your duties in Ottawa would not permit you to visit the works in the districts? A. No, unless on very special occasions.

Q. After the plans are received and before the work is embarked upon, is there any practice of having that work inspected by your Department?

WITNESS: The plans you mean?

Q. Yes? All contract plans coming into my office are first referred to me and then to draughtsmen to see if the plans and specifications coincide, then, as to the estimates, if there is anything that appears not to be correct, my attention is called to it.

Q. What I want to get at particularly is this: is it examined by any one excepting the District Engineer? A. No, the District Engineer examines the site.

Q. And reports? A. Yes.

Q. And decides the location of the work? A. Well yes, but as a general rule the site is pretty well determined beforehand.

Q. Take this particular case of this Timiskaming dam, the site was for a wooden dam to be placed at the head of the island? A. Yes.

Q. The ultimate location decided upon took the Ontario side of the dam almost to the foot of the island, involving a very much greater amount of excavation than had been intended, and the site on the Quebec side was moved down the stream some distance, making the work take place in the rapid water, the water of the rapids, instead of in the comparatively still water at the head of the rapids. That involved very serious questions of construction and of use hereafter in the matter of booming logs through, and so forth. Apparently that was entirely done by Mr. Coutlee, the Engineer in charge? A. The change in site would not interfere with the running of logs after the dam would be built.

Q. It does? A. It would be still water up above.

Q. Only when the stoplogs are in. As soon as they are out you have the rapids? A. In the fall of the year.

Q. Here it is, whenever the logs are being boomed through, they are on a rapid, and the result is they are moved through at a rapid pace and they have now to make a special arrangement for steering the logs through? A. That is generally the case. You have to put slide booms.

Q. Not in still water? A. Not if it was an overflow dam, no, but in this case where it is a stoplog dam naturally you would expect that.

Q. Not nearly to the same extent? A. The back water is just the same.

Q. Mr. Lumsden, who is an experienced dam builder, in connection with the lumber business, says that the work is going to be very much more serious, and he expects great trouble, and he is one of the lumbermen who will use that place. In any case, my point is this: there you have a radical change of location and questions arising, no matter how you dispose of them. That was decided on the spot by Mr. Coutlee and you could not supervise it from Ottawa? A. I could not.

Q. Don't you think there should be an arrangement by which there could be some capable inspection from your office? A. I have been agitating that for a number of years.

Q. Is there not need in connection with the engineering work in your office of some board or committee or call it what you like that shall come in between the District Engineer and the adoption of works? A. As I say, I have been agitating that for a number of years, that for the serious works, not the ordinary run of works, but for the works of any magnitude or which would present any great difficulties, that the matter should be referred to two or three engineers of the Department, to consult together and see what should then be done under the circumstances.

Q. Have you prepared any memos. on that subject in writing? A. No, verbally.

Q. You have mentioned it verbally? A. Yes, verbally only.

By Mr. Lake:

Q. That is the Engineers actually in the Department, was that your idea, you mean that they should act together as a board? A. Yes, because I consider that outside engineers are well, as a rule, not qualified for harbour and river works.

By the Chairman:

Q. Have you a sufficient staff of inspectors in connection with your Department? A. We have an inspector on every work, and if the work is composite, that is concrete and cribwork, one for each kind of work.

Q. These are casual men employed from time to time? A. Yes.

Q. What I meant was some more men of your permanent staff, of high reputation and good experience that you could keep constantly employed in watching over the works and the progress of the works? A. We have a few of that nature.

Q. Have you enough? A. Well, it is hard to say.

Q. The works are increasing all the time, aren't they? A. Oh, yes, the engineer in charge is supposed to keep a very close watch over the work.

Q. Who keeps a watch over him? A. The Chief Engineer is supposed to do so.

Q. But the District Engineer is in British Columbia, perhaps, and the Chief Engineer is in Ottawa? A. Yes, but at the same time that has been the way works have been carried on in the Department for a number of years.

Q. Yes, but the result has not been altogether satisfactory? A. Only in a very few cases was it unsatisfactory.

Q. Now, I want to depart from this question of harbour and river works, with which I have had some connection in the Maritime Provinces. I want to ask you about the material of which harbour and river works were made. I was very much

struck three years ago in an election campaign I had in Nova Scotia with the tremendous amount of partially destroyed wooden breakwaters and works of that kind that had been built in past years and were falling down. Worms were at work in the salt water, eating out the wood, and it raised this question in my mind, whether a work that is important enough to spend money on, in any large way, particularly in salt water, whether they should not be built of enduring materials? A. Well, wherever the worms are prevalent, we generally use creosoted timber.

Q. Is creosoted timber proving itself to be absolutely worm-proof? A. Well, from what returns and information I have had from British engineers in the Maritime Provinces, if it is not absolutely so, it is practically so.

Q. Now, take another case, wooden works of course are often put down where they are very much exposed to the sea? A. Yes.

Q. And despite the fact that they are heavily ballasted they are torn away after a while, and as soon as they are torn away they are exposed to be broken up, and I have seen cases in which the ballast has been practically made a ledge of, by such works being partially swept away by the sea. I was very much impressed with the idea that where a work is important enough to undertake and spend money on it would be economy to build a concrete work from the beginning? A. That is practically and absolutely a question of policy.

Q. I know it is a question of policy but I presume you will admit at once that in an expensive public work in the long run it is economy to use concrete and not wood? A. Yes, in a very expensive piece of work it is. And the fact is, that the most expensive works now are being built of concrete.

Q. In that matter of policy you speak of, you have on the one hand the desire of the Government not to spend too much money, which leads you to take wood, because it is cheaper, that is the chief reason of it, isn't it? A. You are putting me now in place of one of my Ministers.

Q. Well, from an engineering standpoint you would use concrete in every case, if it were not for the fact that wood is cheaper wouldn't you? A. Yes.

Q. If wood and concrete cost precisely the same you would always take concrete? A. Yes, that is not wholly concrete perhaps, but use concrete at any rate.

Q. Don't you think that when work is to be started, your committee, or board, or whatever you would call it, should consider that very question as to whether it is desirable to build of concrete in that particular place or of wood? A. That would be again a question not for us to discuss.

Q. In some of the features it would be for you to discuss? A. As far as the technical question is concerned.

Q. The question as to whether, owing to the exposed nature of the work, for instance, it would be possible to hold wood there? A. For any large work it is always questionable whether a work should be built of timber or concrete.

Q. And also it depends on the extent to which it would be exposed to the sea? A. Yes.

Q. As Chief Engineer, you have dredging under your supervision, but it is immediately taken care of by the Assistant Chief Engineer, I understand? A. Yes, by the Assistant Chief Engineer.

Q. Then you have harbour and river works, which means generally breakwaters and walls? A. Yes, and dams.

Q. In rivers? A. Yes, and slides and booms.

Q. Also in rivers? A. Yes.

Q. Then what other works, generally, are under your control? A. Well, I think the enumeration just given covers about the whole class of work.

Q. Have you anything to do with telegraph lines? A. No.

Q. Public roads to telegraph lines? A. No, I have not as Chief Engineer. The Superintendent of Telegraphs has that.

Q. As Chief Engineer you practically just cover harbour and river works? A. Yes, harbour and river works.

Q. And in the control of all these except dredgings, is the immediate care yours? A. I beg pardon.

Q. Except dredging, is the immediate care of the other works your own? A. I am responsible for them all.

Q. You have no assistant who is helping you in those? A. No, practically not. Sometimes I do refer a certain work to Mr. Dufresne, just for co-operation in the decision of what should be done.

Q. You have an official in your office who helps you to some extent? A. Yes.

Q. What is his name? A. Mr. Valiquette.

Q. What is his official position? A. His official position would be what I would term Supervising Engineer, although he has not that official title.

Q. What are the duties that he performs? A. He has charge of special works, for instance, the harbour at St. John, that is Courtenay Bay, and apart from that while I am away from the office he does the best he can in my absence, referring to me the most important questions or those that require my personal attention.

Q. He is a sort of Assistant Chief Engineer without the title? A. Yes

Q. And, occasionally, he is out of the city? A. Yes.

Q. He may be away a great deal of the time? A. He is away considerable.

Q. What happens when you happen to be away from the office and he happens to be away at the same time? A. Well generally, the case has to wait for either the one or the other to come back.

Q. Your health has been unfortunately not very good for the last few years I understand? A. No.

Q. You feel that you are getting better? A. Oh, yes, my doctor tells me he will make a new man of me, which I sincerely hope he will.

Q. It must be very trying for you to be at home and work brought to you? A. I make, as we say in French, more bad blood remaining here than the illness itself.

Witness retired.

The Commission adjourned.

OTTAWA, Friday, March 1, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of ARTHUR ST. LAURENT, Assistant Deputy Minister of Public Works (Recalled):

By the Chairman:

Q. I understand, Mr. St. Laurent, that you wish to offer an explanation concerning the housing and heating the concrete work in the winter? A. Yes, sir.

Q. Well what is it? A. Well, will I read the clause first?

Q. Yes, you refer to clause 6 of the amended specifications of the contract of the 22nd of July, 1909? A. The clause reads as follows:—

> "Concrete will be laid during freezing weather only under written instructions as to the precautions to prevent freezing. Work will be stopped and resumed as directed, and the material and plant will be kept heated, and a mixture of salt will be added to the concrete."

This, Mr. Chairman, refers to the heating of material and mixing plant only. The practice is, since engineers started to allow concrete to be laid in the winter time, there have been various practices allowed. First, the heating of material to be used in the concrete, which means sand, stone, and water. These are heated and put in the mixing plant and thoroughly mixed, and then dumped into a little car and carried to the works. The idea of this heating the material is to give a chance to the concrete to have a more rapid initial set, because during freezing weather fresh concrete will not start to set. The addition of salt that is mentioned here has the effect also to delay the freezing of the concrete so that the concrete will take an initial set before it has a chance to freeze. It gives a chance to that. Now, for important works there is a more ideal method than this to obtain the best results possible with concrete. With this method you run the risk of having an inferior concrete. The concrete is weakened in a way by the addition of salt and by freezing. So we do not obtain always the best results under this method. Another method is, in addition to the heating of these materials, which are brought to the structure, to house in the structure itself and have a heating plant installed in that shed or whatever it may be, covering the structure, so to keep the temperature always above the freezing point. That is an ideal method, and in that way we are sure of the best results, we are sure that frost has not attacked the concrete in any way, because the temperature is always above the freezing point. We would not think, of course, in calling for the concrete work, under ordinary conditions, not to specify this method, if it was wanted, because it would be unfair to the contractors to oblige them to build a shed for the structure and install a heating plant for this purpose, without the thing having been specified, but the other method is the common practice. The contractors never refuse when they are told to heat their materials during freezing weather, they never refuse to do it under their tender price, because it is admitted in practice now.

But the other method which is much more expensive has been specified specifically, as they have to charge more. That is why the Order in Council was passed, to have the best results possible The matter was brought to my attention, and, personally, as an engineer for important works in a dam like that, the best methods should be followed to obtain the best concrete possible. Concrete that has been weakened when exposed to frost, and perhaps you don't know it, but the repetition of thawing and freezing always weakens the concrete more and more. I mean the more it thaws out and freezes. For instance, if we have a winter where several thaws occur and then it freezes again, the more this occurs the more concrete gets weakened.

Mr. LAKE.—Yes, I thoroughly understand that.

By the Chairman:

Q. You house and heat the structure as you are building it, you don't have to heat the material as it is used? A. Oh, yes, it is better to heat the material, because the installation is always outside the shed of the structure, the mixing plant and all that kind of thing.

Q. What I mean is this, if you house and heat the structure, as you did in the arrangement under the Order in Council, do you also heat the materials at the same time? A. Well, I would.

Q. I don't ask you whether you would, but did these men do it in this case? A. Oh, as to that, I don't know.

Q. You don't know whether they continued to heat the material and plant as provided in the specification where they were doing the work that was housed and heated? A No, I don't know whether they continued or not.

Q. These two methods, I understand one is a method provided for in the specifications? A. Yes.

Q. And the other is the method of housing and heating the structure? A. Yes.

Q. Which latter you prefer for larger works? A. Well, in combination with the other.

Q. That is what I want to know, was it done in combination, or was it not? A. That would be my practice.

Q. I don't want your practice, I want to know what was done in this particular work, and if you don't know, say you don't know, and we will try to get it from someone else? A. Well, I don't know, but I simply want to explain—

Q. (Interrupting) You have explained the method and we understood it all right, but now I want to know about this particular plant. The specification says that the material and plant will be kept heated? A. Yes.

Q. Well, now, to heat the material is what you say this means, that is to heat it at once and carry it to the place where it is to be mixed? A. Yes, to heat it pretty close to the mixing plant.

Q. And it is carried and thrown into the mixture? A. Yes.

Q. And by the other method of housing, that material would be kept heated until it is set or at any rate it would be kept from frost until it is set? A. Not the material itself, but the concrete.

Q. That is the mixture, the material? A. The mixture of the different ingredients. They are mixed in the mixing plant and they are brought under the shed and put in the concrete and that is the concrete. We want to obtain the best results to keep it hot for a certain time.

Q. I understand that, and now I ask you as a matter of fact whether in this contract, when the housing and the heating has taken place under the Order in Council whether they still continued to heat the material and the concrete, or whether they simply went on under the Order in Council? A. Well, the Order in Council was passed, but if you will remember there was practically no concrete made, and no effect practically was given to that.

Q. No effect practically was given to that? A. No.

Q. And consequently you are not able to say whether the materials and plant would have been kept heated under this clause and also housed and heated, you don't know? A. No, I don't know what the action of the engineer would have been.

Q. Why was not a provision for the housing and heating put into the contract in case it might be necessary? A. Well, I cannot answer you that, sir, only by stating my opinion, if you wish for my opinion.

Q. Will you simply say you don't know, because you didn't draw out the specifications? A. Exactly.

Q. When the specification was drawn out, it was done by the Engineer in Charge, Mr. Coutlee? A. Yes.

Q. And who would revise the specification, anybody? A. The Engineer, the Chief Engineer would have the power to revise it.

Q. But as a matter of fact, now the Chief Engineer was more or less absent, and we know that in fact his attention to this was more nominal than real. Did anyone revise that specification which Mr. Coutlee made out? A. Mr. Coutlee was in charge, there was no necessity for revising it.

Q. That is, you mean to say according to the practice of the Department, if an Engineer in charge makes a specification, it is not revised by anyone? A. It is well, compared with the plan, as it is now.

Q. But is the specification revised? You know what I mean by the word "revised." Is it gone over and considered? Is that the practice of your Department? A. In some cases, when something special is noticed by the Chief Engineer.

Q. Now, as Assistant Deputy Minister of Public Works, I ask you whether Coutlee's specification, as made up, was revised by anybody. That includes checking the construction and everything else? A. I don't think so.

Q. Well, now, your Department was starting on an important public work, the construction of a dam across that river, a dam of concrete across that river? A. Yes.

Q. And it might be that it might become necessary that some of the work would have to be done in the winter? A. Yes.

Q. You contemplated that at the time, didn't you? A. Not myself particularly, because I did not remark any of the details.

Q. You were Assistant Deputy Minister who had the real charge of that work? A. No, sir, I could not begin to attempt reading specifications or other things. We trusted our engineers and I had to take what they gave us.

Q. I want to get down to the facts, because that is one of the things we have not been able to find here, outside of Mr. Coutlee, who in the Department paid any real attention to the plans and specifications and the contract in this case? A. So far as I am concerned, I accepted the plans and specifications as I found them. I cannot answer you otherwise.

Q. Yes, you can, I ask you who in your Department paid any real exact attention, outside of Mr. Coutlee, to either the plans, specification or contract for this concrete dam? Whose was the real responsibility in the matter? A. I cannot answer you that. It is a change of responsibility.

Q. Well let us begin then; the Deputy Minister not being an engineer, in fact did not exercise any real authority over this matter? A. No, sir.

Q. In the next place, you being the Assistant Deputy Minister, and the one to whom the general charge of it was turned over by the Deputy Minister to look out for, you did not exercise any real discretion and caution in considering the matter? A. I exercised all the caution, sir, that I could, in connection with this matter.

Q. Yes, you say you exercised all the caution you could. But did you rely, from time to time, on what Mr. Coutlee did? A. I relied entirely on what he did.

Q. And then the Chief Engineer, outside of his nominal responsibility as Chief Engineer, did not exercise any real controlling insight over this whole matter, did he? A. I couldn't say, sir.

Q. But you do know whether he did or not? A. No, matters were turned out to me.

Q. By the Deputy Minister? A. Not always.

Q. Let me find out this, if you cannot answer I will try and get it by a process of elimination. Did you consult with the Chief Engineer continuously about the progress of this work? A. When he was there, yes.

Q. Did you consult him continuously about the matter? A. No, I could not consult with him continuously.

Q. What I am trying to get at is this: we know that the Chief Engineer was away from his office, we know he left the practical work in the hands of Mr. Coutlee, we know that Mr. Coutlee consulted you from time to time, and you are an engineer? A. Yes.

Q. And we know, therefore, that the Chief Engineer did not take any real interest in this matter? A. No, he couldn't.

Q. Now, let us get at the true facts. Now, I come down to this. Whose duty was it to consider under the circumstances whether this work would go on during the winter and whether it should be provided for during the winter? A. The Engineer preparing the specification.

Q. It was the duty of the Engineer preparing the specification? A. Yes.

Q. You say the winter work in the construction of that dam was not provided for in the specification? A. I say it is, as far as the common practice is concerned.

Q. Then, I will change the question in this way, it was not provided for according to the better practice? A. Yes, it was not provided for according to the better practice, if the Engineer wanted to proceed continuously with the work during the winter.

Q. During the winter? A. Yes, during the cold weather.

Q. Then, is this provision in the specification one under which the winter work might have gone on? A. It might sir, yes.

Q. And the other way was only a choice, as it were? A. Well, a preferable way.

Q. For which no provision had been made in the specification? A. That is what I say, sir.

Q. That was an omission then? A. No, I cannot say it was an omission. Some engineers will be satisfied and hold opinions that the addition of salt to the heating of the material is sufficient, but some others will not.

Q. Was winter work done during the winter of 1910, on the Ontario side? A. Yes.

Q. All winter? A. Yes, all winter. Well, I couldn't say if the concrete was laid during the coldest weather.

Q. The month of February is usually the coldest? A. Yes, sometimes there are thaws, a few days quite mild weather on which they lay concrete.

Q. I will show you the report? A. Oh, yes, I know it was laid.

Q. Now, on the 22nd of February, 1910, reporting on the work which was being done on the Ontario side of the dam, Mr. Coutlee says to the Chief Engineer:

> "I have the honour to report regarding the progress of the work on the Timiskaming dam; the work was begun on the 12th of February and continued all last week. The gravel and sand are stored in a bin and heated by steam pipes. The water is also heated after laying (in concrete) and movable steam radiators are set in place and the mass covered by tarpaulins, so that all night the temperature is kept above freezing. Self-registering thermometers are regularly read."

Now, you will see there that Mr. Coutlee is describing what took place in 1910, under the specification as it was, and he shows there that they did not merely heat the material before it was mixed, but that all along steam radiators were set in place and the mass covered by tarpaulins? A. Yes.

Q. That is more than the specification called for according to your interpretation? A. Yes, it is a little more.

Q. A good deal more, isn't it? A. That is a precaution, a further precaution, to cover by tarpaulins.

Q. The contractors paid for that work that was done in 1910? A. Yes.

Q. They got no extra allowance for it? A. No, not for that.

Q. And the concrete next spring was found to be good? A. Yes, it was found to be good.

Q. There was a very little quantity indeed that was found in the spring not to be quite good? A. Well, I don't remember.

Q. So the specification did provide for that work as it was done on the Ontario side in the winter of 1910? A. Yes, but there is a fine point, Mr. Chairman, about this. Concrete may be good, but it may be better too, and in some cases when the water has been passed over concrete, it carries with it sand and particles of gravel, which gradually attack the concrete, and of course the harder you can make the concrete the better.

Q. I quite understand that the point you want to make is that the housing and heating, as provided for in the Order in Council for the winter of 1911 would have been a better way? A. Well, I would have more confidence in that concrete.

Q. Yes, but by doing it under the Order in Council and being paid for it altogether the contractors were getting clear of the necessity of laying radiators and covering the mass with tarpaulins as set out in the letter of Mr. Coutlee, as they had done in the winter of 1910? A. They were getting rid of that, some of it, yes.

Q. They were getting rid of some of it? A. Yes, not probably the heating of materials outside.

Q. No, but they were getting clear of laying a movable steam radiator and having the mass covered with tarpaulins? A. The mass of concrete?

Q. Yes, in other words, they were getting rid of doing anything after the materials were laid? A. Yes.

Q. Now, in the Order in Council providing for the heating, it is stated emphatically that the carrying on of concrete work during the winter will necessitate the housing of the sections to be built and the installation of a heating system? A. Yes.

Q. Now, that is not correct, it did not necessitate the housing and heating, because it had been done in 1910; the housing and heating was only a better way of doing it? A. The concrete is a matter that is—

Q. I want to get down to the fact. The housing and heating was not necessitated, it was only a better way or doing it? A. It was a better way.

Q. You are not responsible, of course, for the words in the report to Council—you did not draft the report? A. No, I did not draft the report.

Q. And then this further statement is made in the Order in Council—this further work is not provided for? A. No.

Q. Now, it is quite true that housing and heating were not provided for in the contract but their was heating provided for in the contract, wasn't there? There was a method of heating provided for in that contract? A. Yes, heating the material.

Q. Then, if you were sitting in Council and didn't know any more about the matter than was conveyed in that report to Council, don't you think that in order to understand the situation, the report should have explained that the contract did provide for a method of heating but that this more expensive method was thought to be a preferable method, wouldn't that be the truth? A. I cannot discuss what you say. The meaning in both cases is different. In one case it is of heating material, and in the other it is heating the mass.

Q. I will repeat my question: if you were sitting in Council and did not know any more about the matter than was contained in that report to Council, don't you think that in order to understand the situation the report should have explained that the contract did provide for a method of heating but that this more expensive method was thought to be a preferable method. Wouldn't that be the truth. You understand the question? A. Yes, I understand it.

Q. Let me put it in this way in order to be exact: shouldn't that report have stated that one method of heating was provided for in the contract? A. Of heating the concrete, sir?

Q. It was in 1910, the concrete was heated in 1910? A. It was done.

Q. According to the contract? A. What is mentioned in the contract is a method of heating the material.

Q. You need not be more exact than the contractors were. The contractors understood that they were to lay pipes and cover it with tarpaulins, and they did lay pipes and cover it with tarpaulin in 1910 under the contract? A. I don't know if they understood that.

Q. Well they did it? A. Yes, they did it.

Q. And they didn't ask to be paid for it? A. No.

Q. I simply asked you whether that report to Council, in order to be perfectly clear, so that Council when they sat down to understand it, ought you not to have told them that one method of heating material, if you like, was provided in the contract, but there was a better method, and that better method ought to have been adopted? Wouldn't that be the straight and fair method of explaining to Council? A. The two are utterly different.

Q. Yes, but shouldn't the two have been explained to Council? A. I don't know sir, if they should go into those details.

Q. Shouldn't Council know what they are doing? A. They ought to know of course.

Q. Well, with that report before them, could Council know from the report that there was a provision in the contract for some method of heating the concrete and that this was a change? A. You have only to read the report. I would like to read it.

Q. Well, you can read it over and over again and see if you can find anything like that in the report? A. There could certainly have been more information given them.

Q. And Council could have understood the situation much more exactly. The point I put to you is this, that by telling one-half of the fact, and by suppressing or omitting the other half of the fact, a wrong impression was created? A. I do not think a wrong impression was created or that it was the intention to suppress anything.

Q. You have nothing to do with intentions. If I was a private person for whom this work was done I know what I would have said. I would have said "These men are under the expense of doing it in one way but there is a better way, and if they will do it I will allow them the difference between what the old way would cost and what the new way would cost?" A. The old way in which they had to do it was of very little expense.

Q. The principle is there. It is all very well to be lavish with public money? A. Probably all these different points did not occur at the time to those who prepared the Order in Council.

Q. That is what I am trying to get at, the trouble in your Department is that these things go on and no one is responsible for them. They are occurring, and the public losing by it, and yet we cannot fix the responsibility? A. I do not think so, because everything was done to try and save money.

Q I think nothing was done? A. The object of this was to obtain the best results possible, to run less risk of accidents.

Q. The object of this was to get your foot out of a hole into which your Department had got? A. No, sir, I do not admit that. The intention was to do the best thing possible under the difficult conditions we met there

Q. Mr. St. Laurent, why were you doing work in the winter of 1911, except through the delay of the contractors? You entered into this contract in 1909 and in the winter of 1911 you were still beginning the construction of the most important part of the dam. Now hadn't the contractors been guilty of delay? A. I told you in my evidence before that we thought at the time the delays were so annoying and we blamed them.

Q. Hadn't you received complaints that they had incompetent foremen there? A. Yes.

Q. And I think they hadn't their machinery on the ground when they ought to have had it there? A. Yes, and the Engineer discussed this matter with me and the matter was taken up with the contractors.

Q. And didn't it turn out that their estimate for coffer damming and unwatering was very absurd? A. Yes.

Q. And hasn't it been shown now that your Department had no scheme or plan for unwatering and never knew what was needed? A. As far as I know, I don't know.

Q. You said right along there was no scheme for unwatering? A. I don't know personally that there was no scheme. Mr. Chairman, what I mean is I don't know that there was any scheme in the minds of others, I don't know.

Q. I am not blaming you individually, but I say your Department started out to do that work without an adequate knowledge of how it ought to be done, without any investigation of how it should be done, without any consideration of how the most important work should be done, without enquiring into the ability of the contractors to carry it out, and their knowledge and experience in hydraulic work. And every step of the way negligence and carelessness were exhibited by someone in this great work? A. I do not admit that. I will admit that difficulties have occurred that have not been foreseen.

Q. The delay in the work was not caused in the first place by unforeseen difficulties. There were no unforeseen difficulties on the Ontario side, yet you had not

begun, the contractors had not begun the work on the Quebec side until the winter of 1911. Up to that time the delay had not been caused by difficulties at all, but simply by delay and nothing else. That is all. Over eighteen months spent on the Ontario side in dawdling? A. We tried to push that on as much as possible. When we advised them to change foremen, they did it willingly, and got a competent engineer, and they advised us that they had got Mr. McRea, who is a hydraulic engineer. That satisfied us temporarly, and of course the seeing in advance is very different from seeing it now.

Q. The tender that the contractors put in, the sum for which they tendered, was inadequate from the beginning, and no sane man could have thought that $4,000 would be sufficient to pay for the unwatering of that concrete dam? A. I don't know.

Q. And no sane man did consider is sufficient, because they never considered it at all? A. Well, some things, in some cases the unwatering is partly covered by other prices.

Q. There were not enough of the other prices in Kirby & Stewart's tender to cover the unwatering? A. It turned out that they were low.

Q. It did not only turn out, because from the very first it was apparent that in the prices they had put in for a wooden dam, working the cost of their dam come up to $4,000, less than the Chief Engineer had estimated, showing that their prices for wooden work were not too high? A. No, in many cases there are larger differences than that between the Chief Engineer and the lowest tenderer, it was more than theirs, showing that they were low.

Q. You know perfectly well that in the unit prices in Kirby & Stewart's tender for the wooden dam there was no margin left for unwatering? A. I know it now.

Q. With your experience, you could have known it then, because you knew all about prices? A. I knew about prices, but it is not my duty to examine these details.

Q. Then you didn't know it, it was because you didn't examine it? A. It was not my duty to examine that.

Q. That is what I say, your Department, if they had examined the tender of Kirby & Stewart they would have known that the sum they had provided for unwatering was insufficient from the very first day, and that led to a very great deal of trouble afterwards.

The Witness retired.

The Commission adjourned.

OTTAWA, TUESDAY, March 5, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of ALEXANDER GREY, Civil Engineer in the Public Works Department.

Examined by the Chairman:

Q. Where are you employed at the present time, Mr. Grey? A. In the Public Works Department, principal assistant to Mr. Coutlee.

Q. You are the principal assistant to Mr. Coutlee? A. Yes, sir.

Q. And you have recently been employed about the Timiskaming Dam? A. Well, I visited the Timiskaming Dam about twice a month.

Q. And you have recently come from there? A. Yes.

Q. What is the position of the dam on the Quebec side at the present time? A. The coffer dam is completed and the water is pumped out, to within about a foot of the bottom of the river, and the abutments are very nearly completed.

Q. That is one on the island side and one on the Quebec side? A. Yes, and the concrete is started for one pier.

Q. On which side? A. On the island side and the storm shovel is at work there excavating the bed of the river.

Q. For the platform? A. Yes, for the platform and sluiceways.

Q. The river is dry enough for excavation to go on? A. Yes, it is not as dry as we would like it to be.

Q. Is that because the dam is leaking? A. Yes.

Q. Is it leaking through the dam or under the dam? A. Through the coffer dam—well, it is difficult to say where the leaks are on account of the snow and ice.

Q. Will considerable excavation have to be done before you will be able to commence to lay the platform? A. Yes, there is about 15,000 yards of excavation required, but we are just following up the steam shovel, that is the work is going on simultaneously.

Q. Is the laying of the platform going on now? A. Yes.

Q. As you go ahead you lay the platform as you go? A. Yes, the work all goes on simultaneously.

Q. Your excavation is down deep enough to enable you to lay the platform at certain places? A. Yes.

By Mr. Ducharme:

Q. I suppose some of it is dry? A. No, the men work in hip-boots.

Q. The men work in hip-boots? A. Yes.

By the Chairman:

Q. Doesn't that water destroy the concrete? A. No, if you take the proper precautions to see that the water does not wash through it. If it washed down it like a regular spring, it would certainly.

Q. How do you stop it? A. We staunch at the side, and let it off by trenches.

Q. You let it off by trenches and keep the places dry where you are putting it? A. Yes, and it is all right if there is no current of water going through.

Q. You have been able to get your coffer dam as tight as you would like to have it, I suppose? A. No, sir.

Q. But still you go on and under the existing conditions you lay your platform? A. Oh, yes.

Q. Well, are you building your platform from the bottom up, or down from the top, or from the middle both ways, or how are you building it? A. We are erecting it from the top down. That is from upstream down.

Q. You are beginning upstream and working down? A. Yes.

Q. And is the platform being laid in the middle or on the sides of the Quebec stream? A. At the sides, on the island side.

Q. You are extending it out from the island side? A. Yes, on both sides, but at present the platform is only being put down on the island side.

Q. Isn't there some sheet piling to be driven down at the two sides? A. We attempted sheet piling, but found it would not work on account of the boulders.

Q. On account of the boulders underneath? A. Yes.

Q. So your excavation has not got down to solid rock, anywhere on the mid-stream? A. We do not anticipate that it will.

By Mr. Lake:

Q. How deep down?

WITNESS: With our excavation do you mean?

By the Chairman:

Q. Yes, how deep down below the bottom of the piers? A. About three feet. We are going to put down a cut-off trench about eight feet deeper than that.

Q. At the upper end? A. Yes, we haven't any of that done yet, we want to get the platform a little ahead so as to control the water.

Q. Opposite the trench——you were going to put sheet piling above the trench also? A. Yes.

Q. You have abandoned that? A. Yes.

Q. As you get down does the bottom get more strongly packed than where you began the excavation or is it about the same? A. I think about the same.

Q. Pretty nearly all boulders? A. Yes, all boulders and sand, very heavily bouldered.

Q. Heavy boulders? A. Yes.

By Mr. Lake:

Q. You have not encountered any quicksand? A. No, we haven't but there may be some further down.

By Mr. Ducharme:

Q. Do you make use of the boulders? A. Yes, we use them in the concrete.

Q. Do you leave them there and put the concrete in them? A. No.

Q. You take them up and break them? A. No, we cannot take them up, they are too heavy, but we put them on one side.

By the Chairman:

Q. Still, of course, when you have got down with your excavation, you are still putting your platform on boulders, for the whole bottom is boulders isn't it? A. Yes, but it would hardly do to leave great big boulders in the concrete.

Q. No, but you are placing your concrete on boulders? A. Yes.

Q. Getting the bottom firm and level before commencing to build it? A. Yes, of course, the idea in excavation is to get down below the natural bed of the river with your foundation for the platform.

Q. That, nevertheless, is still going to leave a large margin of danger? A. In what way?

Q. A danger of the water percolating through the sand and boulders underneath? A. Well the cut-off will counteract that, you see.

Q. If it goes far enough, but suppose you don't get it deep enough down to hard rock, won't you have the same difficulty in the modified stream? A. No, not with proper precautions. We propose to staunch opposite the dam, with great large boulders that cannot be displaced by the water, and that will keep it down.

Q. Now, with regard to the dam, if everything goes well what time are you going to have your concrete work done? A. I think if everything goes as we were going on my last visit there, we will have the dam in shape by the middle of April before the high spring waters go through. That is, I mean, we won't have the top finished up high enough not to be troubled by the water, but we could let out our coffer dam.

Q. You won't mind your coffer dam going out? A. No, we would put it out.

Q. Before that time? A. Yes.

Q. And the dam won't be finished before the water goes down? A. No.

Q. You won't be able to conserve the water with the dam this year? A. No, we never anticipated doing if, sir.

Q. The completion of the work will have to be after the water has run off in the late summer or autumn? A. Yes, of course.

Q. How many men are employed there now? A. I was going to say, that of course if we didn't have so much water to contend with I think we might have it completed in time, entirely completed with all the concrete put in, but we have had a delay of a week or two with the coffer dam and that puts us back.

Q. How many men have you working there now? A. I couldn't tell you the exact number.

Q. Well, about how many? A. Over two hundred.

Q. All that can be used? A. Yes, we have all that we can economically use.

Q. Who is in charge of the work there? A. Mr. Donnelly.

Q. Mr. Coutlee is out there to-day? A. Yes, he has been there for the last two weeks.

Q. You have given me an estimate which you prepared at my request, showing the total of - - - - Well, I will say it differently - - your estimate is made up in this way:—

Timiskaming dam:

Expenditure to March 1..	$ 86,000 00
Estimated cost to complete..	100,000 00
Land damages..	45,000 00
Making a total of..	$231,00000

A. Yes.

Q. Now that first item, expenditure to March 1, $86,000, from what time is that? A. That is from the time when we took the contract over from Kirby & Stewart.

Q. That is after Kirby & Stewart's time? A. Yes.

Q. Up to the last payment that was made? A. Yes.

Q. And in that expenditure of $86,000 is included only the wages and material bills? A. Just the wages and material bills and any little plant that was purchased.

Q. For work done by the Government? A. Yes.

Q. That does not include the work for which Kirby & Stewart were paid? A. No, it does not include their bills at all.

Q. It includes nothing paid to Kirby and Stewart? A. No, sir.

Q. This estimated cost to complete is based upon the hope that no accidents will happen? A. Exactly.

By Mr. Lake:

Q. Do you think that is ample? A. I think it is a conservative estimate.

By Mr. Ducharme:

Q. Did you spend $86,000 besides what you bought from Kirby & Stewart? A. Yes.

Q. You know the Government bought something from them? A. Oh, yes, but that does not include anything of their business at all.

By Mr. Lake:

Q. What are the land damages payable for? A. For lands flooded.

Q. Around the side of the lake? A. Yes, and the towns of New Liskeard and Haileybury and all those places.

By Mr. Ducharme:

Q. Who estimated these damages? A. We have a man, Cross is his name, A. B. Cross. Of course, it is only natural there would be damages if we are going to raise the lake about fifteen feet.

By the Chairman:

Q. I understand that you do not raise the lake fifteen feet, but you raise it from the low water mark to fifteen feet, but the high water mark is not much raised? A. No, it only lasts a day or two.

Q. But is it raised? A. No, not much.

Q. What I meant to say is that between high water and low water, it might be a question whether the owners would have any claim whatever.

By Mr. Lake:

Q. I understand that the $86,000 includes nothing the Government paid previous to taking over the work in August, 1911? A. No.

Q. It includes nothing paid to Kirby & Stewart at any time? A. No.

The Witness retired.

The Commission adjourned.

OTTAWA, MONDAY, March 11, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of Mr. J. B. HUNTER, Deputy Minister of Public Works, recalled:

Examined by the Chairman:

Q. You have already been sworn Mr. Hunter? A. Yes.

Q. I want to ask you about the proceedings in 1911 with reference to the cancellation of the contract when the work was taken over from the contractors, and just to remind you of it: On the 12th of July, 1911, the Assistant Deputy Minister and Mr. Coutlee, the Engineer in Charge, signed a letter to the Minister of Public Works in which after referring to various features of the work said:—

> "We therefore recommend that authority be given to take the necessary steps in order to arrive at a proper and final settlement with the present contractors, that the work be paid for at contract rates,"

and then they go on with some other things in the letter; then on the 18th of July, a letter was sent to Kirby & Stewart, the contractors which I think from the typewriting was probably signed by you? A. No, that was Mr. St. Laurent. He carried on all the correspondence about that. He has the same kind of machine as I have.

Q. Well then on the 18th of July, Mr. St. Laurent addressed a letter to Kirby & Stewart the contractors and they are notified by the Minister in the following language:

> "Before placing the matter before Council in order to avoid any misunderstanding the Honourable Minister desires to know if you agree to these terms (and these terms are set out in the letter so far as my present question is concerned in these words) that the work already executed be paid for at contract rates."

Then on the 28th of July the Assistant Deputy Minister again writes to the contractors as follows:

> "Will you kindly reply as soon as possible to my letter of the 18th instant."

There is nothing on file to show whether any answer was ever given or not. Can you tell us what took place at that stage, Mr. Hunter? A. No, I don't know that I can. In that negotiation the contractors used to go to the Minister, and Mr. St.

Laurent being in charge of the work, the Minister called him in to see about that. I had nothing to do with that at all.

Q Our reason for asking you is that you are Deputy Minister? A. But everything does not go through my hands in that Department. It is too large.

Q. My reason for drawing your attention particularly to it is this. By a memorandum made on the 5th of August, 1911, the Minister made a recommendation to Council in which on this point he recomended in a different language than was used there, the recommendation ran this way:

> "The work already executed which may be considered as absolutely necessary be paid for at its actual and reasonable cost."

The words "actual and reasonable cost" are not the same as appear in the recommendation which were that it be paid for at contract rates? A. Yes.

Q. Were you present when that change was discussed? A. I have a recollection of seeing those words written into the report as prepared by the Minister, in his own handwriting.

Q. That is the words that were written in were in the handwriting of the Minister? A. Yes. The words "actual and reasonable cost." I don't know whether that document is still about, that would be on the first draft of the report to Council. That arrangement was made entirely by the Minister.

Q. You were not consulted about the change? A. No.

Q. Nor the policy of the change? A. No, once or twice I was in when the contractors came, that is I happened to be in once when they came in, and they were asking for a change. I happened to know that they made a protest against being paid at the contract prices, and they were urging upon the Minister to give them the actual cost, that is the amount of money they had actually disbursed, and I knew that discussions were going on along those lines, but they were discussions entirely as a matter of policy between the Minister and the contractor.

Q. The letter of June written in the name of the contractors was conveyed to them, it appears by the report, by Mr. Chrysler, K.C.? A. He was up several times, he was their lawyer in this matter.

Q. I mention his name to see if it will not remind you if there was any discussion which might have taken place between him and the Minister on this point? A. Not while I was there, the only discussion I had with Mr. Chrysler was when the supplementary agreement along the lines of the Order in Council was made, the one we were speaking about the other day.

Q. That is the agreement in October? A. Yes, Mr. Chrysler came to see me about that, and that was the only thing I had to do with Mr. Chrysler.

Q. Well, I now come down to that very thing. The supplementary agreement dated the 5th October, 1911, can you say who drafted that? A. I think it was drafted by Mr. Chrysler.

Q. You might just look at the document and look at the book and you will see Chrysler's name on it? A. Yes.

Q. That is probably the draft? A. No, there was a draft—that may be the final draft, but I think the first draft that came up was a little different in its terms from the Order in Council, and he was told to take it back and correct the draft, and make it exactly according to the terms of the Order in Council.

Q. To whom did he bring the draft? A. I cannot say as to that. The thing travelled through me at some stage of the proceedings.

Q. Was the Minister here at the time? A. Yes, he was here.

Q. He was here at that time? A. Yes, whether he gave it to me, that is whether Mr. Chrysler gave it to the Minister and the Minister gave it to me and I handed it to the Law Clerk, I am not sure.

Q. The Law Clerk says he had nothing to do with it, he says all he had to do was with the final agreement? A. He had nothing to do with the preliminary, that is the first draft.

Q. The Law Clerk says the draft marked Chrysler, Bethune & Larmonth, and which is word for word and letter for letter the same as the final agreement, excepting the date, which is filled in, was handed to him by you with instructions to have it engrossed and prepared for signature and that is all that he ever had to do with the agreement in any way? A. No, he had more than that. I always put these things through him and make him responsible for checking them, or if he has any observations to make on them it is his business to make them. I would give that to him and tell him to see that if so far as he could see it was in accordance with the Order in Council, and if so, it would be executed.

Q. Do you remember having done that in this case? A. I always do.

Q. But in this particular case do you recollect as a matter of memory that you did it in this case? A. No, the reason I say it is that I make a practice of it.

Q. Can you recall the facts, these particular events to your memory, and say whether you did it in this case? A. That is impossible to do.

Q. You cannot? A. No.

Q. The reason I ask you is because he emphatically says it was not done? A. He will take responsibility for nothing, if he can dodge it in any way he will do it.

Q. He states the facts, it is not a case of responsibility, but he states as a fact that it was not done. Now you say you do not remember giving it to him? A. No, I do not.

Q. Or giving him any instructions about it? A. I put it through his hands, it would naturally be put through his hands.

Q. When you say you remember, do you remember sending it to him by some one or calling him to come in and giving it to him? A. No, my recollection is more when he brought it back for my signature to execute it. I remember him coming to me at that time.

Q. Do you remember talking to him about it when he came back? A. Yes. I always ask him if he is in accordance with the contract and everything else.

Q. That is your general custom, but can you charge your memory with having done such a thing in this particular case, which is a most exceptional case? A. Anything of this kind is the same.

Q. No, it is not, in the first place all the surrounding circumstances make it a very exceptional and unusual transaction? A. No, the draft I think was worded a little differently from the Order in Council you see. The instructions I gave him were simply these, the Order in Council must be followed identically, with no departure. That was the substance of it. I looked over this when Mr. Chrysler brought it and I said, "This is not in accordance with the terms of the Order in Council, and no departure from those terms must be made. You will have to go back and re-draft this thing identical with the Order in Council."

Q. Would you give him the draft—you are talking of Mr. Chrysler there? A. Yes.

Q. He would bring back a draft with him – take it away with him? A. Yes.

Q. And when he would bring it back who would examine it to see if the final draft was the same as the Order in Council? A. The Law Clerk.

Q. The Law Clerk says he had no instructions to do that? A. He must have had, because he gets instructions about everything just along those lines.

Q. You only say that because that would be your general custom, is that right Mr. Hunter? A. Yes.

Q. You don't say it from memory? A. No, how can I charge my memory with every word I say?

Q. A man may or may not remember one particular event, if you say you do not remember what was done that is all right, but I am asking you if you do remember? A. I do not remember asking him particularly to revise that, but I have no doubt I did.

Q. Well in this particular case we find it is not the same. There is a difference in what appears to us to be a very material difference as to the meaning of it. There is a punctuation in the agreement not found in the Order in Council? A. You mentioned that the other day.

Q. Yes, I think I mentioned that the other day. Did you yourself examine the agreement to see if they had the same wording as the Order in Council? A. No.

Q. You relied upon other persons? A. Yes.

Q. Having regard to your experience of the Law Clerk, do you think it was prudent for you to rely on him to see if the agreement was just right in a matter of such importance? A. I must let the Law Clerk assume his responsibility. He is the Law Clerk and the Minister is promoting him to the first division of the Service now. He must discharge the duties of Law Clerk.

Q. But you are the Deputy Minister? A. Yes, but I cannot go through everything.

Q. Arn't you responsible for the competency of the men in your Department? A. No, I am not.

Q. If you knew a man was incompetent would you pass anything that came up before you from him, would you put your signature on it without remonstrating? A. I may remonstrate and I may say things if I happen to glance over a document and I find it does not express the facts properly, and I have had occasion to send it back to Mr. Chasse, because it was not in accordance with the facts, and have him change it.

Q. But here is a contract involving a large amount of money, a most important matter, and you knew Mr. Chasse's limitations by experience. Do you mean to tell me that you would sign that without any further legal advice on it, than the legal advice of Mr. Chasse? A. I would have to, I can't rely on any one else but Mr. Chasse.

Q. Yes, you can, in the first place upon yourself? A. I am not a lawyer.

Q. But the reading of an agreement to see whether it conforms with the Order in Council, for that purpose you do not require to be a lawyer? A. Even if I had read that I might not have noticed the punctuation.

Q. No, but you might have and probably would? A. I wouldn't say that. You must understand I am doing business over there with a room full of people, under pressure.

Q. You know Mr. Chasse is a man who has never been admitted to the bar? A. I understand he claims to be a notary which he says is quite the equivalent.

Q. Do you think it equivalent? A. I don't think it, no.

Q. Do you think, having regard to the important contracts which must go through the Department, and the numerous cases coming up all the time, that he is competent for the work? A. I would rather leave that to the Minister.

Q. But I am asking you and you must answer whether you like it or not? A. I don't think he is a first class lawyer.

Q. Do you think he is sufficiently able and experienced as a lawyer to be entrusted with the responsible duties of you Department? A. With some of them some of them are too difficult I should say.

Q. He can do many things right, but having regard to what you told us, that you would sign an agreement on behalf of the Department, depending upon him, do you think in important matters it is right for you to depend on him? A. I haven't time——

Q. I am not blaming you. Don't you think the Department ought to be provided with a man upon whom you can rely with more confidence than upon Mr.

Chasse? A. I think the Department should be provided with a man who can handle all the legal business, so that it could be brought to me and I could simply sign it when he presents it, having confidence that it is all right and in accordance with the document that precedes it.

Q. You remember we were having a discussion with you the other day with reference to the separation of minutes, and you pointed out that they were prepared in such a way, and that you signed them as they were presented to you because you hadn't time to look into them any more closely? A. I think I made this qualification to that, that I took the recital for granted, and what I try to look at is the recommendation to see if it is in accordance with the facts as I understand them. I don't bother with the recitals, the dates and so forth.

Q. We see your difficulties, Mr. Hunter, and what we want to get at is this: with the great press of work that you have to do, and the fact that the Deputy Minister, as head of the Department is finally responsible? A. Yes, I have to assume all responsibility whether it is coming to me or not.

Q. You think the Department should be provided with reference, for instance, to the Law Clerk, and the technical and professional staff of one kind and another, with men on whom you can place implicit reliance? A. Yes, and with a view to strengthening the law branch I requested Dr. Pugsley to appoint an assistant law clerk, which he did.

Q. I want to go back now to the recommendation of August 5. The secretary tells us that with reference to that particular recommendation it came to him complete except that he added the formal parts to it? A. I think that is so, I think Mr. St. Laurent with the Minister, prepared the recommendation in that form. Now I do not want to be misunderstood. I do not want to unload any responsibility on Mr. St. Laurent that I should bear myself, because he may have been drawn into that entirely on account of his connection with the Timiskaming work. The Chief Engineer not being here, and naturally he being more in touch with that work, the Minister sent for him as Assistant Deputy Minister, and handled it through him.

Q. At any rate you had nothing to do with the drafting of that order? A. No.

Q. The report of July 12 to the Minister signed by St. Laurent upon which that recommendation was later passed? A. I suppose it is practically a quotation, the recommendation from that report, with the exception of the alteration of the formal words.

Q. You had nothing to do with that? A. No.

By Mr. Lake:

Q. About the opening of tenders. You told us, I think, that the rule in the Department, is that they must be opened by two officials, both of whom shall initial them? A. Yes.

Q. I think I pointed out to you that the four tenders in connection with this Timiskaming dam only bear the initials of Mr. Pugsley? A. Yes.

Q. Would that mean that Mr. Pugsley was alone? A. No, it must have been an oversight that the tenders were not initialled by some one else who was present at that time.

Q. Does that usually take place? A. I don't know of another case in which that has happened. The other day after I left here I asked if there were any such cases and they said no, there had not been, and the secretary said he could not understand it, because he takes them when they come back to his office and he couldn't give me any other instance of that having occurred.

Q. How long has it been the rule that there shall be two in the opening of the tenders? A. It has always been the rule so far as my connection with the Department is concerned.

Q. How long ago is that? A. 1902. I came to the Public Works Department. I was going to say in 1908 I think I was, there was an Order in Council resulting from

some discussion in the House about Ministers opening tenders, which authorized Ministers, and I think made the procedure generally throughout the Departments, that the Minister was to have the naming of the official, the Minister and the Deputy Minister, or if the Minister himself did not act he was to name some other official to act with the Deputy Minister to open tenders, and with the exception of very few works since the passing of that order, I have opened works always with the secretary, Mr. Desrochers, and I think since Mr. Monk has been Minister we have opened every tender but one, that is every set of tenders.

Q. If you had opened the tenders in the present case, you would also have initialled the tenders? A. The same procedure as with the secretary.

Q. When you open a tender and award a contract, in what way do you make your award, how does it appear on the paper? A. Here is the way it is done. The secretary comes with a list, headed with the name of the work and the approximate cost, and the date for receiving tenders, and so on, and he says, five tenders or four tenders as the case may be forthwith. Then he hands me a large envelope containing these. I open that and see that there are five envelopes there. Then we proceed to open them. Then after we are through, if it is a case of tenders that would have to be reported upon by the Chief Architect or the Chief Engineer, we send them to that officer for a report, but if there is nothing unusual about them that would require a report from the Chief Architect or the Chief Engineer, I write five tenders herewith, secure report from Chief Engineer and submit, or something like that. If everything is regular and does not require anything more than our own action at that time, I simply write, five tenders herewith, prepare schedule and report to Council for lowest.

Q. Do you make a note on any of the tenders, that that tender which is the lowest shall be accepted? A. No, we simply initial the five tenders and put that instruction in the memo.

By the Chairman:

Q. Sometimes on a list of tenders which is attached to the tenders themselves we find that the Minister has drawn a mark around a particular tender and has initialled it? A. That would be tenders he opened himself. He does that, or I might do that, the same thing, but I don't do it. I merely send it back the other way, through the secretary.

Q. But does he initial it on the lowest tender to show that that one is to be accepted? A. That is done now. When this report comes back it goes back with the schedule of tenders attached to it, and the Minister is asked if he approves of the acceptance of the lowest tender to put a ring around it and send a report to Council.

Witness retired.

The Commission adjourned.

OTTAWA, SATURDAY, March 16, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

ARTHUR ST. LAURENT, Assistant Deputy Minister of Public Works, already sworn, recalled.

Examined by the Chairman:

Q. On July 12, 1911, you prepared a report to the Minister which was signed by you and Mr. Coutlee? A. Yes, sir.

Q. And that report sets out a series of features concerning the construction of the Timiskaming dam and winds up with several recommedations? A. Yes, sir.

Q. And one of the recommendations: "That the work be paid for at contract rate"; that is the one I want to draw your attention to? A. Yes.

Q. Now, on the margin of that letter is marked: "To the Secretary A.S.L.; Minister requires a report to Council to be prepared on these lines." Then there is marked further: "R.C. prepared 13/7/11"—that would be the 13th of July, 1910? A. Yes.

Q. Whose endorsement is that last one, "R.C. prepared? A. It looks like the Secretary's writing.

Q. And probably would be in the regular course? A. Yes.

Q. Now, the next document is that of the 18th of July—there is a letter to Kirby & Stewart, the contractors, signed by you as Assistant Deputy Minister in reply to their letter of 29th of June last, you quote to them the recommendation which the Minister is willing to place before Council, and on the point we are discussing it was those same words you had got into your recommendation. "That the work already executed be paid for at contract rate." ? A. Yes.

Q. Now, from the form of that letter, that part which you quote in the letter is evidently taken direct from the draft which the secretary had prepared according to the Minute? A. Yes, or from my memorandum.

Q. If you will look at this you will see that it must be that because it says: "The undersigned concurring in the views of his officers"? A. Yes.

Q. You will notice that on the back of that letter there is a complete extract which sets out the whole of that recommendation? A. Yes.

Q. I want you to get your mind fixed on these words: "Also that the work already executed be paid for at contract rates"—because when the Minister reports to Council, as it actually went over it contained these words in place of those quoted: "That the work already executed"—so far they are the same? A. Yes.

Q. Then it says: "which may be considered as absolutely necessary be paid for at its actual and reasonable cost" ? A. Yes.

Q. You see that there are two changes there? A. Yes.

Q. You will notice that these words: "Which may be considered as absolutely necessary" have been put into the draft after the word "executed" ? A. Yes.

Q. And that after the words "be paid for at" the words "its actual and reasonable cost", take the place of the words: "at contract rates"? A. Yes, that is right.

Q. I want to draw your attention particularly to the fact that there are two interpolations? A. Yes.

Q. Now, we will take the actual quotation with regard to that. After the letter to the contractors notifying them of what the Minister was going to do, do you re-

member whether the contractor saw either you or the Minister or anybody else and discussed that question? A. I have a knowledge that he saw either the Minister or the Deputy. I was not brought into that discussion. I know of my own personal knowledge that they did not want to accept contract rates and they made representations to that effect, but I was not present at the discussion that took place.

Q. I have it from the Deputy Minister here that he was not present and that the discussion really took place with the Minister? A. Well, I suppose so.

Q. But in any case you were not brought into the discussion in any way whatever? A. No.

Q. After that discussion between the contractors and the Minister or the Deputy Minister, did you have nothing to do in the case with the draft report to Council or the form it was in when you had it up? A. I do not think so. I tried to find out yesterday after my interview with you how this came to be changed, and the secretary could not give any explanation and they found out though that the last page had been re-written. Of course if the changes were made naturally the last page would be re-written. The effect of that change is to accept liability for all the moneys that the contractors have expended on that work; the effect would be that way if the vouchers produced are found to be reasonable in relation to the value of the work; that is the view I take.

Q. The view you took was that if the actual cost was also the reasonable cost it would make the Department responsible for it? A. Yes, it could be made the basis of settlement.

Q. But there was this difference between what you first recommended and what the Minister recommended to Council, that you were only recommending the contract rate? A. Yes.

Q. If the actual cost exceeded the contract rate this amending order was accepting responsibility for that difference? A. I did not understand it that way. If the cost exceeded materially the contract rate, to my point of view it could not form the basis of settlement.

Q. In that you are depending on the word "reasonable"? A. Yes.

Q. But in order to find out what is reasonable the whole question would have to be referred to some tribunal if there was a dispute? A. Yes, to some tribunal or to engineers.

Q. It would have to be referred either to arbitration or to the court if there was a dispute? A. Yes.

Q. But now, suppose the reasonable cost of it exceeded the actual cost, the difference would have to be paid by the Government under this last order? A. If it could be certified.

Q. I say the effect of it is that? A. Certainly.

Q. If the reasonable cost exceeded the contract price, then by this changed order the Government were accepting that responsibility? A. Yes, sir.

Q. Then you are aware a difficulty has already arisen over the interpretation of these words: "actual and reasonable cost"? A. Yes.

Q. There were some persons appointed to make a valuation and they had a difference of opinion with the contractors about what the words meant? A. I understand so.

Q. Take this other set of words: "The work already executed which may be considered as absolutely necessary"—you were not of course consulted about putting these words into the Order? A. I may have been.

Q. Just burnish up your memory on that? A. I do not know, but I may have suggested these words myself.

Q. Don't say "may". This is an important thing and I do not want you to suggest a possibility. I want you to depend on your memory and see if you can recall having had anything to do with these additional words? A. I cannot recall exactly.

Q. Do you remember anything at all about those words: "which may be considered as absolutely necessary"? A. Yes, I remember something.

Q. Tell us what you remember? A. I remembered something that these words should be added to guard against some work having been done by the contractors which was not considered absolutely necessary in connection with the work. I remember something about it.

Q. Tell us what you remember about it? A. That is all.

Q. What do you remember? A. I remember that some such words as these would be necessary to guard against the possibility of work having been done by the contractors which would not be absolutely necessary in connection with their work and not to be paid for. I cannot remember how the words were put in.

Q. Do you remember with whom you talked of this matter? A. I do not.

Q. These words we are just quoting would not have been necessary and would not have arisen for consideration under the terms of the original draft because in the original draft the words were: "Also that the work already executed be paid for at contract rates"—now, if you were paying for at contract rates you would not pay for anything already executed that had not been necessary because the contract rate would only apply to necessary work? A. Yes.

Q. When these words: 'which may be considered absolutely necessary' were being discussed, it must be in consequence of the words: "the actual and reasonable cost"? A. Yes, that having been decided by somebody in authority.

Q. Is this the way it may have occurred: That after it was directed that the work already executed should be paid for at its actual and reasonable cost it seemed to you ntcessary to qualify "the work already executed" by words which meant in this sense: so far as the same may have been absolutely necessary? A. That is what I remember about it, that occurred to me.

Q. You think then that that qualification about absolutely necessary work followed on the other change about actual and reasonable cost and was suggested by you to avoid any payment of unnecessary work? A. Yes, sir, I remember that.

Q. Then in your meaning at that time this would be a better expression of your idea: that the work already executed so far as the thing may be considered as having been absolutely necessary? A. Yes.

Q. That expresses your idea? A. That expresses my idea.

Q. What you wanted to impose upon them was the idea that if any work had been done which the Engineer would say was not absolutely necessary—not perhaps through bad foremanship or bad orders— that the Government should not be responsible to pay for that? A. Yes, that was my idea.

Q. You are a French Canadian and you speak the English language very well? A. I am afraid not.

Q. I wish I could speak French as well as you do English—but you might be a little bit weak on the composition of the English sentence? A. I may say that I find it hard sometimes in talking or being questioned to find the proper expression at once to answer. I can write a little better than I can talk.

Q. The reason I make that remark is this: the way those words are put in there they are just capable of two meanings. Instead of the meaning which you had there is another one; when they came to make the agreement in October it was drafted by the lawyer for the contractor, and very ingeniously helped to give it another meaning. I want to draw your attention to the agreement. Here is the agreement which was signed—now looking at the clause covering the payments we find—this was quoting from the agreement dated the 5th October, 1911—

> "2. That the work already executed, which may be considered as absolutely necessary, shall be paid for at its actual and reasonable cost."

You will notice that the comma after the word executed and the comma after the word necessary appearing in the agreement is not in the draft report to Council.

It has the form now of being an assertion that the work already executed is to be paid for as having been necessary? A. I would not have understood it that way.

Q. I am suggesting to you now that the sense of the words are materially affected by the use of two commas. In the original and according to your meaning the words: 'That the work accepted which may be considered absolutely necessary shall be paid for'? A. Yes, it is so.

Q. Now you see: "That the work already executed, which may be considered as absolutely necessary. The comma after the word "executed" and the comma after the word "agreement" would seem to be an assertion that the parties already agree that the work is necessary? A. I see the point there.

Q. And it would shut off any inquiry into the question as to whether the work was necessary? A. That is the position that the contractors could take.

Q. Yes, by the use of these two commas,—you say that was not your meaning? A. Oh, no.

Q. Counsel for the contractors in any court of justice would say that they refused to consent to any examination into the necessity of any work, because by signing this agreement the parties had adopted it themselves. That is to say, that the agreement as it was signed contained itself the assertion that the work already executed is to be considered between the parties as having been necessary? A. Yes, I see the change it makes.

Q. Your meaning may not have occurred to anybody as being anything else than what you thought it was, but as a matter of fact in the examination by the Department of the contractors' vouchers, I am informed that the contractors claimed that every dollar of expenditure had to be considered? A. Yes, I was told the same thing.

Q. That is not the meaning. As a matter of fact this meaning is suggested for the first time in the draft agreement presented to the Department in October by Chrysler, Bethune and Larmonth for the contractors, which draft was copied in the Department in the law office, and was copied or was executed by the Deputy at the time when this report to the Minister was adopted, the contractors had stopped work? A. Yes, it was in July.

And the dam had been swept away early in May, and while the high water remained nothing could be done in coffer damming or unwatering; there may have been a little seaming up that was necessary, but the major part of the work was done? A. Yes.

Q. Consequently, if the contractors met with any loss on this work, it had all been met with before the adoption of this report to Council; whatever loss there was had all preceded this? A. Yes.

Q. Let me ask you this: So far as you personally know was there any discussion as to the difference involved between paying at contract rates and paying at actual and reasonable cost; was the amount involved discussed? A. So far as I know at the time, no. I was not mixed up in that discussion.

Q. You don't know of any calculation having been made to show what the difference was? A. No.

Q. You remember perhaps that in the previous year the contractors had represented themselves as having lost about $57,000 on excavation? A. Yes, I remember that.

Q. When they were claiming extras? A. Yes.

Q. And then, of course, even after that date they had gone on doing some work in excavation and so forth, and if it were correct that they had lost on the excavation it would follow that by the spring of 1911 they would have lost a good deal more? A. Yes, likely they would have continued to lose.

Q. And I have here from the accountant's office showing in detail the payments made to Messrs. Kirby & Stewart *re* Timiskaming Dam up to May 15, 1911; on last estimate No. 18, they had been paid $104,640? A. Yes.

Q. That would be on the contract? A. On the contract progress estimates.

Q. Now, it is the practice to hold back ten per cent on progress estimates? A. Yes.

Q. And on $104,000 that would amount to $10,400 about? A. These are the amounts paid, the estimates were higher than that and the accountant deducts them.

Q. I have here notes that I took this morning. The last progress estimate passed was up to April 30, 1911, and the estimate as certified by the Engineer for work done was $115,500. From this a drawback of ten per cent is deducted, making $104,340 which the accountant paid. Consequently if the gross estimates were correct they had really done $115,050 of work up to that time? A. Yes.

Q. I want to draw your attention to the claim put in by Kirby & Stewart on October 19, 1911, entitled: "Showing total cost of work and amount due or in connection with taking over the work as per Order in Council, dated August 11, 1911." There is first given the total cost of the work at $334,572.18. Now, in that amount was included, according to them, $34,298 for plant? A. Yes, sir.

Q. Then there was also put in an amount of $61,430 for unwatering the Quebec channel? A. Yes, sir.

Q. And then there was put in $2,400 for heating, and those three items would make $98,150? A. Yes.

Q. And that would leave according to them, $236,422 expended upon work? A. Yes.

Q. I am following their figures—now then, they had received according to their statement besides the progress estimates they had received some extra amounts? A. Yes.

Q. Therefore they received $116,599, so that outside of some extra amount that had not yet been paid for in the inventory and on the unwatering, they were claiming $119,463. Assuming that the difference between what they were paid on the estimates $104,000, and the amount of the estimates, $115,000 is still coming to them, that would leave after they had been paid that amount, then still claiming $108,000? A. Yes, according to their figures.

Q. Well now, unless the progress estimates proved to be very erroneous, it would look as though there was $100,000 to $110,000 upon their own statement by Kirby & Stewart representing their loss at contract rates? A. It looks like that.

Q. But generally speaking, what they say from that rough sketching of figures the difference between paying at contract rates and paying at actual and reasonable cost would be about $100,000? A. It may show that.

Q. Unless you can maintain your views that it is reasonable, has to be paid for and not "actual" was not "reasonable"? A. Yes, from my view of the thing, it will tell you frankly, from the work I know has been done there I could not see how the claim of the contractors, based on their claim as it is made, could form a basis of settlement because it seems to be beyond the value of the work that is done. That is my view of it, but I may be mistaken.

Q. What you mean to say is this: That from your knowledge of the work that has been done there it would seem to you that if the contractors had spent that much on the work as they claim to have spent, there must have been great waste somewhere? A. There must have been an extravagant expenditure that I do not understand.

Q. I suppose to make a calculation, after examination and measurement of the work, of what these contract rates would be, is a very easy thing? A. Yes, the engineers have got to re-measure everything very carefully.

Q. That could be done without mistake? A. Yes, depending a good deal on the engineer on the work according to the record he has kept of the work that is in the foundation.

Q. It could be made out very closely? A. Yes, according to how he has kept his measurements.

Q. And when you come to get into the question as to whether the contractors men were efficient and whether their work was economically done, and whether the cost is reasonable or not, you are into a very wide question? A. Very wide.

Q. Upon which there would be any amount of difference of opinion? A. Oh yes.

Q. And which some tribunal, either a court of justice or an arbitration or a board of engineers, would have to be called in to settle? A. Yes, and they might take a different view. That is only my opinion.

Q. Again, in order to settle that, witnesses would have to be called and the ground would have to be inspected and a very long dispute could take place over it? A. Oh yes, I might hold myself that the contract prices were fair and some other engineer might hold that they were too low and it might be very contentious.

Q. At the time they were accepted, outside of the unwatering, the contract prices were regarded as fair and reasonable? A. As fair and reasonable.

Q. And if I remember rightly the contract prices for everything except the unwatering did not vary very much in the four tenders? A. No, except the excavation. The excavation was generally much higher that the three other tenders apart from Kirby & Stewart.

Q. But on the other hand the concrete was higher in Kirby & Stewart's than it was in one of the others? A. Yes.

Q. And the concrete price was a good price in view of what has been paid on other jobs? A. It was a fair price.

Q. You will remember that you made a report at the time upon it that it was a fair price? A. It was a fair price.

Q. In fact it was a price which had originally been put in for a small quantity, and presumedly for a large concrete dam it might have been put in at a cheaper rate? A. Of course I explained that, in view of unseen difficulties that might be found there.

Q. As a matter of fact, leaving out the question of unwatering and the delays that occurred, it proved to have been a fair price for the concrete work? A. Yes, a fair price.

Q. You say that a final estimate based on contract prices is being prepared by the Engineer and has not yet been completed? A. Yes.

Q. With regard to the change in these words: "actual and reasonable cost"—in regard to the policy of the change whereby contract rates were abandoned and actual and reasonable cost accepted, was that made upon the authority of the Minister? A. Certainly, it could not be made otherwise.

Witness retired.

OTTAWA, SATURDAY, March 16, 1912.

PRESENT.

Honourable A. B. MORINE,
Chairman.
G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

RUDOLPHE DESROCHERS, Secretary of the Department of Public Works, re-called, already sworn:—

Examined by the Chairman:

Q. Upon the question of the Report to Council dated August 5, Mr. St. Laurent and Mr. Coutlee prepared a letter to the Minister dated July 12, 1911, on the margin of it I find this endorsement: "R.C. prepared 13/7/11"—is that made in your office? A. Yes, sir.

Q. Is that by you personally? A. That is made by the typist.

Q. It is an endorsement made in your office? A. Yes.

Q. You will notice that the words concerning the payment for work are those: "That the work be paid for at contract rates"? A. Yes.

Q. And in the letter dated 18th July, 1911, addressed to Kirby & Stewart by Mr. St. Laurent he quotes the terms of the recommendation which the Minister is willing to place before Council in these words: "That the work already executed be paid for at contract rates." That is an extract from the draft as it would leave your office according to the endorsement I have just read? A. Yes.

Q. Then you now produce a copy of the original report to Council as it came back to you from Council? A. No, from the Minister's office.

Q. As it came back to you from the Minister's office after the Minister had signed it? A. After the Minister had signed it.

Q. That shows, at the last page, or page 3, that it is altered from the original draft? A. Yes.

Q. In two respects; first, there was an alteration in typewriting, these words being put in after the words "work already executed" had been inserted these words: "which may be considered as absolutely necessary," in typewriting? A. Yes.

Q. Then there was a second alteration. After the words: "be paid for," instead of the words "at contract rates." the words appear: "at its actual and reasonable cost"? A. Yes.

Q. The words "and reasonable" are in handwriting? A. Yes.

Q. Whose handwriting was that? A. It was the Minister's.

Q. And it was initialled "W.P."? A. Yes.

Q. The original does not carry these initials "W.P." they were put there by the typist to show by whom the alteration in writing had been made? A. Yes.

Q. Have you looked up and seen the original papers? A. Yes, as Mr. Lake says this is from memory.

Q. With reference to the third sheet as it is altered in typewriting, do you know who authorized that third sheet to be typewritten again? A. I cannot say, and I have made inquiries of the typists who copied the third sheet to know if they had recollection of the change and they have none whatever. I thought perhaps they might be able to locate it by the handwriting.

Q. You don't remember having had the matter come before you at the time? A. No.

Q. And it may have got into the hands of the typewriter from the Deputy or Assistant Deputy Minister or in some other way? A. The paper itself would have come to me but it would not have been discussed with me.

Q. The paper would in the regular course have come to you A. Yes.

Q. You mean to say that no other official would give it to the typewriter to do over again? A. Not likely.

Q. You think probably it came from you? A. Yes.

Q. But there was no discussion about it? A. No.

Q. And you don't know from whom it came to you? A. I cannot say.

Q. Now there was a third stage, after that typewriting change had been made the insertion of the two words by the Minister took place? A. Yes.

Q. But that would not come back to you until after the recommendation had gone to Council? A. It would come to me first for transmission to Council.

Q. After being signed by the Minister it would come to you for transmission to Council? A. Yes.

Q. In the regular course you transmit all these reports to Council? A. Yes.

Q. It went over in the handwriting without any more typewriting? A. Yes.

Q. You have not anything upon file referring to the changes in the draft other than you have already given us? A. No.

Q. And you know nothing further about it? A. No.

Witness retired.

SESSIONAL PAPER No. 57

EXHIBIT 1.

DEPARTMENT OF PUBLIC WORKS, CANADA.
RICHIBUCTO, KENT COUNTY, N.B.

TENDER FOR THE CONSTRUCTION OF AN EXTENSION TO NORTH BREAKWATER.

I, We, ...

the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all the necessary materials, labour, tools, machinery and plant, and to execute and complete in a satisfactory and workmanlike manner, all the works required in connection with the construction of an EXTENSION TO NORTH BREAKWATER AT RICHIBUCTO, KENT COUNTY, N.B., according to the Plans and Specifications and form of Contract exhibited to me / us for the bulk sum of:—

.....

.....($.....)

and hold myself / ourselves ready to enter into a contract for the due execution of the said works.

I, We, herewith enclose an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, *equal to 10% of the amount of the tender,* as per terms of the advertisement and the specification for this work.

I, We, hereby certify that I, We, have visited and examined the site of the proposed works, or have caused it to be visited and examined by a competent person on my / our behalf, and have made all inquiries relative to the value of the materials and plant required for this work.

Envelopes containing this Tender are to be endorsed "TENDER FOR EXTENSION TO NORTH BREAKWATER AT RICHIBUCTO, N.B." *and addressed to the Secretary of the Department of Public Works, Ottawa.*

The signatures of parties tendering must be in their respective handwritings.

In the case of firms, the signature, post office address and occupation of each member of the firm must be given.

SIGNATURES, OCCUPATIONS AND POST OFFICE ADDRESSES OF PARTIES TENDERING.

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Dated at....., this.....day of.....191

NOTE.—The security cheque will be forfeited if the person or persons tendering refuse to enter into a contract when called upon to do so, or fail to complete the work contracted for.

The Department does not bind itself to accept the lowest or any tender.

EXHIBIT No. 2 .

DEPARTMENT OF PUBLIC WORKS CANADA.

GIMLI, SELKIRK COUNTY, MAN.

TENDER FOR AN EXTENSION TO PROTECTION PIER.

I, / We, ...

the undersigned, hereby offer to the Honourable the Minister of Public works, to furnish all the necessary materials, labour, tools, machinery and plant, and to execute and complete in a satisfactory and workmanlike manner, all the works connected with the construction of an EXTENSION TO PROTECTION PIER AT GIMLI, SELKIRK COUNTY, MAN.,

according to the Plans and specifications exhibited to me / us for the bulk sum of:—

.....

.....($.....)

and hold myself / ourselves ready to enter into a contract for the due execution of the said works.

I, / We, herewith enclose an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, *equal to 10% of the amount of the tender,* as per terms of the advertisement and the specification for this work.

I, / We, hereby certify that I, / We, have visited and examined the site of the proposed work, or have caused it to be visited and examined by a competent person on my / our behalf, and have made all inquiries relative to the value of the materials and plant required for this work.

I, / We, also offer to execute any extra work to that mentioned in the specification and to furnish all labour, plant and materials in connection therewith, subject to all the condition and requirements contained in your specification, and also to furnish labour, plant and materials for, and execute as may be required, any extra quantity of the same work described in the said specification or shown on the accompanying plans which may be ordered at the rates or prices I / we have affixed to the different items in the following table, and I, / We, also bind myself / ourselves to accept these prices as those upon which any deduction in the quantity of the said works or materials may be made during the progress of the work.

SCHEDULE OF PRICES.

Items.	Description of Materials.	Unit of Measure.	Rate Per Unit.	Amounts.
1	Merchantable B.C. Fir plank 3" x 12" dressed one side	1,000 ft. B.M.	.....	.....
2	B.C. Fir curb, dressed one side and chamfered	" "	.....	.....
3	Dimension B.C. Fir, other than curb	" "	.....	.....
4	Round Tamarack Piling	Lin. ft.	.....	.....
5	Screw Bolts, Tie Rods with turn buckles and fastenings on lower ends of cross braces	Lbs.	.....	.....
6	Drift bolts, pointed only	"	.....	.....
7	Drift bolts, headed and pointed	"	.....	.....
8	Wrought iron straps and corner plates, not including fastenings	"	.....	.....
9	Ship Spikes	"	.....	.....
10	Washers, cast iron	"	.....	.....
11	Stone Ballast	Cubic yd.	.....	.....
12	Mooring posts with 2" iron rod and cast iron washer	Each.	.....	.....

N.B.—All materials to be measured and estimated in the work.

This schedule list not to be taken as an indication that extra work will be given. The Department reserves the right to do any additional work at any time by day's labour, if these rates or prices are considered too high.

*Envelopes containing this Tender are to be endorsed "*TENDER FOR EXTENSION TO PROTECTION PIER AT GIMLI, MANITOBA,*" and addressed to the Secretary of the Department of Public Works, Ottawa.*

The signatures of persons tendering must be in their respective handwritings.

In the case of firms, the signature, post office address and occupation of each member of the firm must be given.

SIGNATURES, OCCUPATIONS AND POST OFFICE ADDRESSES OF PARTIES TENDERING.

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Dated at. . . . . .this. . . . . .day of. 191

NOTE.—The security cheque will be forfeited if the person or persons tendering refuse to enter into a contract when called upon to do so, or fail to complete the work contracted for.

The Department does not bind itself to accept the lowest or any tender.

EXHIBIT 3.

DEPARTMENT OF PUBLIC WORKS, CANADA.

BARE POINT, IN THE HARBOUR OF PORT ARTHUR, ONT.

TENDER FOR CONSTRUCTION OF A BREAKWATER.

I, / We, ...

the undersigned, hereby offer to the Honourable the Minister of Public Works, to furnish all necessary material, labour, tools, machinery and plant, and to execute and complete in a satisfactory and workmanlike manner, all the works connected with the construction of a BREAKWATER AT BARE POINT, IN THE HARBOUR OF PORT ARTHUR, DISTRICT OF THUNDER BAY, ONT., according to the Plans and Specifications exhibited to me / us for the prices mentioned in the schedule list, and hold myself / ourselves ready to enter into a contract for the due execution of the said works.

I, / We, herewith enclose an accepted cheque on a chartered bank, payable to the Honourable the Minister of Public Works, *for the sum of forty-five thousand dollars ($45,000.00)* as per terms of the advertisement and the specification for this work.

I, / We, hereby certify that I, / We, have visited and examined the site of the proposed works, or have caused it to be visited and examined by a competent person on my / our behalf, and have made all inquiries relative to the value of the materials and plant required for this work.

I, / We, also offer to execute any extra work and to furnish all labour, plant and materials in connection therewith, subject to all the conditions and requirements contained in your specification but not mentioned therein; and also to furnish labour, plant and materials for, and execute as may be required, any extra quantity of the same work described in the said specification or shown on the accompanying plans, which may be ordered at the rates or prices I, / We, have affixed to the different items in the following table, and I, / We, also bind myself / ourselves to accept these prices as those upon which any deduction in the quantity of the said works or materials may be made during the progress of the work.

SCHEDULE OF PRICES.

Items.	Description of Work.	Unit of Measure.	Rate per Unit.	Approximate Quantities.	Amounts.
1	Dredging for foundation	Per c. yd.		56,453	
2	Stone in foundation	"		25,939	
3	Stone ballast in cribs	"		60,349	
4	Stone rip-rap on seaward face	"		25,840	
5	Stone cemented between footing blocks	"		1,275	
6	Footing blocks	"		2,430	
7	Mass concrete	"		15,744	
8	Iron in drift bolts	Per lb.		264,932	
9	Iron in spikes	"		6,612	
10	Machine bolts, nuts and washers	"		87,513	
11	Iron in lifting rings	"		16,590	
12	Timber framed in work, all lengths except 30 ft.	Per M.B.M.		3,062,561	
13	Timber framed in work, 30 ft. lengths	"		720,720	

N.B.—All materials to be measured and estimated in the work.

This schedule list not to be taken as an indication that extra work will be given. The Department reserves the right to do any additional work at any time by day's labour if these rates or prices are considered too high.

Envelopes containing this Tender are to be endorsed " TENDER FOR BREAKWATER AT BARE POINT, PORT ARTHUR HARBOUR, ONT.*," and addressed to the Secretary of the Department of Public Works, Ottawa.*

The Signatures of persons tendering must be in their respective handwritings.

Signatures, occupations and Post Office addresses of persons tendering. (In case of firms, the signature, occupation and Post Office address of each member of the firm must be given).

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Dated at . . . . . this . . . . . day of . . . . . .191 .

NOTE.—The security cheque will be forfeited if the person or persons tendering refuse to enter into a contract when called upon to do so, or if he fail to complete the work contracted for.

The Department does not bind itself to accept the lowest or any tender.

Other Exhibits *re* this subject will be found with Report of Commissioners, in Vol. I.

PUBLIC SERVICE COMMISSION

1912

EVIDENCE

RE

SOREL SHIPYARD.

Marine and Fisheries Department.

OTTAWA, MONDAY, March 11, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman,

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of WILLIAM S. JACKSON.

Examined by the Chairman:

Q. What is your full name? A. William Smith Jackson.

Q. You were born in Scotland, I understand? A. Yes.

Q. Where, Dundee? A. No, Ayreshire.

Q. How old are you, Mr. Jackson? A. Fifty years.

Q. You have been for two years resident in Canada? A. Yes, within a month or two. I am not speaking to within a month.

Q. You are by trade a draughtsman in the shipbuilding trade? A. I am a shipbuilder.

Q. A ship builder, that is the description of your trade? Yes, sir.

Q. And have been a practical yard manager? A. Yes.

Q. And a draughtsman? A. Yes.

Q. Gone through all the grades of ship building? A. Yes, sir.

Q. Wood and steel and iron ships? A. Yes, sir.

Q. I suppose you began your trade in the days of the wooden ships? A. No, wooden ships were done before I started. We have done lots of repairs, and we have built a little yacht and things, but there were no such things as wooden ships in my time.

Q. You know all about the woodwork needed in ships to-day? A. Yes.

Q. In connection with that have you done any work or anything in connection with the building of dredges? A. No, only repairing dredges.

Q. You have done repair work on dredges? A. Yes, sir.

Q. And during the past year you have been occupied at Collingwod as a draughtsman in connection with some dredges being built there for the Dominion government? A. Yes, I have estimated the cost of the dredges.

Q. Estimated the cost of the dredges? A. Yes, made up the tender for them.

Q. Have you had anything to do with the draughting of them? A. Yes, we have designed a dredge for the Department of Marine and Fisheries.

Q. How long have you been at the ship-building trade? A. Including my apprenticeship, for over thirty years.

Q. You were employed by Gourlay Bros. & Co., Limited, Dundee? A. Yes, sir.

Q. Engineers, shipbuilders and repairers? A. Yes.

Q. You were there for fifteen years as yardmaster? A. Yes.

Q. And prior to that, you were there in various capacities, in various branches of the yard? A. Yes.

Q. You have been good enough to give me a copy of a number of testimonials you have brought out with you? A. Yes.

Q. And two years ago you came to Canada? A. Yes.

Q. And went right straight to Collingwood? A. Yes.

Q. Did you have a special reason for coming out? A. Yes, because our place went into liquidation.

Q. That was in Scotland? A. Yes, and shipbuilding was very slack, and I couldn't get anything to do and came out here on spec, and had good letters of introduction.

The CHAIRMAN.—Now, an arrangement is being made with Mr. Jackson to go to Sorel for the purpose of assisting in an investigation which is being made at Sorel. He is to act in conjunction with Mr. T. H. Schwitzer, mechanical engineer, who is already there for the purpose of inquiry.

Witness retired.

Inquiry by the Public Service Commission in connection with the Sorel Government Shipyard, held in Sorel on the 13th day of May, 1912, in the presence of Messrs. Ducharme and Lake, Commissioners.

Mr. L. G. PAPINEAU, duly sworn.

By Mr. Ducharme:

Q. What is your name?—A. Louis Gustave Papineau.

Q. What is your age? A. Fifty-seven years of age next July.

Q. What is your profession? A. Civil engineer and land surveyor.

Q. How long have you been employed for the government? A. I have been employed for thirty-four years.

Q. In what capacity? A. First as chairman, then as assistant engineer, then engineer.

Q. You were always in the engineering department? A. Yes.

Q. When did you come to the Sorel yard? A. Four years ago—in 1908.

Q. As what? A. As assistant director.

Q. And you are director since what date? A. Since 1910, the 13th May.

Q. Had you any previous experience in shipbuilding? A. No, I have had a general experience or knowledge of navigation on canal work. I was several years on the Lachine canal. I had a certain knowledge of navigation in this way, but nothing in the way of practical shipbuilding.

Q. What is your salary? A. I receive $1,300 a year.

Q. Two years ago you were appointed director. Is there any change in the yard since that date, or is the same system going on as before you came? A. It is practically the same system now as before my coming here. There have been a few changes in the way of paying the men by cheques, but these are details. There has been no radical change.

Q. Have you a cost system? A. Yes, we have a cost system. It existed before I was here, though.

Q. Does it work well? A. Yes, the system is about complete. There is one improvement though that I would like to see in it. It would be to work out the cost for each month with an indirect cost for that month, instead of having to wait until all the accounts are distributed and the cost established for that month. That system takes too long before we get at the indirect cost to be added to the direct cost, the wages, &c. Starting from the experience of the past two years, for instance, we could establish what the cost is, say for February or March, or any other month, and apply that indirect cost at once; the moment after the wages, or direct cost is known; so we would have the result and cost of any particular job quicker than we have now.

By Mr. Lake:

Q. How long do you have to wait to get that now? A. We have to wait sometimes a month or five weeks.

Q. What direct benefit do you think you would get to have the change you speak of? A. It would be easier to follow the cost of the work. This cost could be kept up to the mark and within reasonable reach for quick information, figures, &c.

By Mr. Ducharme:

Q. What do you call indirect cost? A. We call indirect cost that part of the expenses coming from the administration, the heating, lighting, the power, the night-watch, and the cost of foremen.

Q. Do you apportion this indirect cost to jobs in each department?—A. Yes, we apportion or distribute it to the different jobs.

By Mr. Lake:

Q. Is the amount paid to every man in the yard distributed day by day to the several jobs —A. Yes, for instance, suppose we start to build one such boat as you saw here, there would be a job-number issued by the draughting department to the chief carpenter, who would have, say four or five men working on that job. These men's wages would be charged to the building of that boat; then if that job has cost $20, $40 or $50 in wages, there would be added to that boat a proportion of the cost of the joiner shop and of the general expenses of the shipyard. This might be adding 50 per cent or 55 per cent to the cost of wages proper.

Q. Do you mean that the time of every man in the yard is apportioned to the different jobs in the yard every day? A. Yes.

Q. Do you find that every man's work and time is accounted for by the reports from the foreman? A. Yes, that is, as a rule.

Q. Do you find that it works so in practice? A. Yes, the cost department takes care of the time given.

Q. Do you mean this should be done every day, or do you mean that it is done every day at present? A. Well, the labour is charged every day, that is, distributed every day, but in the final cost of a job we have to add a portion of the general expenses of the yard. And to have that additional cost, the cost of the yard for the whole month has to be found out, and then if we have, say $10,000 spent for wages on the several jobs, we have besides that a certain amount for power, for light, for heat, general supervision, for draughting, &c., well that must be apportioned with the total figure of wages for that month.

Q. Can you easily average a monthly amount for general expenses? A. Yes

By Mr. Ducharme:

Q. When you have apportioned the general cost, do you include the cost of wear and tear on your machinery, repairs to the plant, and so forth? A. No, we do not provide for that.

Q. You merely count the actual disbursement? A. Of course the repairs and wear and tear is taken account of in this way—we keep the plant in working order and charge the cost of this to the jobs.

By Mr. Lake:

Q. I understand that what you would like to do, or see done, is a system taken from past experience of estimating the cost of administration, say, for Ferbuary, and while apportioning the work of the different jobs in hand, you would at the same time apportion the estimated cost of administration during that month, instead of having to wait a month or six weeks to find the actual cost?—A. Yes, that's it exactly. At the end of the work the cost would be estimated and rectified. Of course, it was not started that way in the beginning, but now that the experience has lasted long, it could be done.

By Mr. Ducharme:

Q. You say that the labour is charged, or entered in the books every day. Is that done from those time-clocks?—A. It is entered in two ways. There is the pay-list which is made every fortnight. The timekeeper knows everybody who has been absent. He starts from the first of the month with the whole list of employees, and he knows each day from the returns of the time-clocks who is absent, and he strikes a day off in the time-book. At the end of the fortnight he makes the pay-list on which we pay the men.

Q. The timekeeper makes his statement from the time-clocks. How does he get those clock returns? A. At each clock there is a keeper who watches the men while they are punching the clock, and sees who does and who does not punch.

Q. Have you many of those clocks? A. We have seven of them.

Q. Are they all on the same system? A. Yes, all the same. If a man is absent, his card remains in the first cupboard. All the cards are put in the next cupboard by the men themselves. After the time for punching is past, the keeper of the punch-clock makes a list of the cards, and what remains in the cupboard may be five or ten. He brings that list to the timekeeper, who makes an entry in his book, stating what man or men are absent. At each clock the same thing is done over again. The keepers bring the numbers of those who have been absent.

Q. Supposing the punch-keeper should, by mistake or otherwise, forget to report whether certain men are absent, would it be found out by this system? A. It would not be found out except by looking at the cards at the end of the day.

Q. Is this done as a rule every evening? A. No.

Q. Every man is assumed to be at work who is not reported absent? A. Yes.

Q. What is the other way of checking? A. Now, the foreman has, of course, a list of the men working under him, and he has to account for the time of these men and show on a certain sheet where they have been working, on what job, &c. Those sheets are brought to the cost department the morning following and compared with the lists of the timekeeper.

Q. The timekeeper makes up his list each day? A. Yes, each day.

Q. And every day that sheet is made up before 6 o'clock? A. He brings it next morning.

Q. At what time? A. By the time they open—about 8 or 8.30 a.m. The assistant looks over these sheets and charges the names to each job. He also compares them with the list of absent workmen.

Q. How does the cost office get the names? A. He has to compare with the lists.

Q. Which lists? A. He compares with the timebook of the timekeeper's.

Q. Every day? A. Yes, every day.

Q. And he sees that the names returned to him total up with the lists? A. Yes, this is done every day.

Q. Does the punch-keeper report in any way to the foreman what men are absent? A. Well, I do not think this is done in a systematic way.

Q. You say that the foreman is supposed to know what men are working and on what job? A. Yes.

Q. Does the timekeeper insist that every punch-keeper shall give him the list of absentees every day? A. Yes, every day.

Q. But the timekeeper has no certainty that the punch-keeper has not forgotten names of some absentees? A. I think they follow this pretty thoroughly.

Q. If the punch-keeper should happen to forget to note certain absentees on his list, then those absentees would appear as present and at work? A. Yes, I suppose so, only the cost office not having them on their list would inquire of the timekeeper about them. If they found two or three men less on their list, the timekeeper would have to find out how he has two or three men more on the list.

Q. If the timekeeper could go to the clocks and take out the cards, he could find out? A. Yes. We have been discussing the means of making sure that the time is kept correctly, and we have happened on the idea of keeping two sets of cards, and change every other day, so as to bring back every other day the cards that had served the previous day. For instance, we would issue one set of cards to be used, say, the 1st of June; well on the evening of the 1st, those cards would be taken up and put in the cupboard and a new set used on the 2nd. The timekeeper could go over the first cards used and make up his timebook. Then on the 3rd we would put back the set

that had served on the 1st of June, and the timekeeper would check all the cards which had served on the 2nd.

Q. This alternate system would prove more satisfactory and more accurate? A. Yes. At present we have about 750 men working. This means 750 cards and four punchings each day, which means a good deal of work to do every day to have the lists ready for pay day; while by the alternate system, the timekeeper would have the cards of the one day to check at the end of the day and ready for his timebook in good time.

Q. It seems to me that there must be many men working here whose salary cannot be taken account of in the cost account. For instance, those known as engineers, firemen, heaters, &c. There must be lots of men working in this establishment whose time is not charged against particular jobs? A. Those go in the indirect cost. For instance, all the expenses of the stores, these are not charged direct to each particular job. They are charged to the indirect cost.

By Mr. Ducharme:

Q. You said that if there was any mistake between the checking of time between the timekeeper and the punch-keeper it could be rectified by the cost department. How can that department rectify mistakes between the timekeeper and the punch-keeper concerning men who really do not belong in the cost department? A. All the men of course are charged every month. The cost department know they have to charge these men. The watchman, for instance, or firemen, &c. The clerks in the stores have to sign the attendance book.

Q. Can this be checked? A. The timekeeper does the checking. This checking is complete.

Q. What about the men who fall under general expense account? A. Each of these men is under a certain foreman, except the watchman. The foreman has to account for their time.

By Mr. Lake:

Q. It seems to me that these men cannot be checked by the cost department because it is not the business of that department? A. Well, the cost department has to show where all the expenditure goes.

Q. Do they take account of all expenses? A. They have to show where every dollar goes.

Q. The cost department will divide up all the expenditure made, but coming to the checking of men——A. When I say that there is a check, a complete check, I mean that an error might be made and not appear in the time-book, but it would probably be found out. There might be an exception now and then, but errors are generally found out.

Q. I do not mean the checking in detail, but as a complete checking? A. I am pretty sure the checking is completely satisfactory. For instance, in the machine shop, Mr. Bilodeau, the chief machinest, has men working under him; besides that he has charge of the firemen, who do the firing of the boilers. These men are under his charge and he accounts for their time. He does not charge for a particular job, say, turning and shafting for such and such a job, but if any were absent it would be shown in his time-book or time-sheet.

Q. He would report those absent? A. Yes.

Q. What are your duties as regards the relationship with the yard and the Department of Marine and Fisheries? A. I understand my duties to be the general supervision of all the work going on.

Q. You have full control of the personnel of the yard? A. Yes. I am in a certain way a witness here for the department of the work going on.

Q. You are responsible to the department in seeing that the whole yard is run as a business establishment? A. Yes. We have to submit estimates each year for the expenditure to be done here. We have to give an annual report

By Mr. Ducharme:

Q. You draw a programme of the work to be done each year? A. Yes. I suggest to the department all the work that should be undertaken.

Q. As to new work, new construction, new dredges, tugs and scows? A. Yes. But to a certain extent this is done in conjunction with the superintendent of the dredging fleet.

Q. You and the superintendent meet and discuss the programme of the year? A. Yes. For instance, the superintendent, Mr. Forneret, may require, say, two additional scows or one additional tug, &c., or some other item of construction, and this is discussed between us.

Q. Does he inform you of needed repairs? A. Repairs are established in another way. About a month before the end of the season, we get a report from all the engineers and captains on board vessels of the fleet telling us what their vessel will likely need in the line of repairs during the winter season.

Q. Are the reports made to you through Mr. Forneret? A. No, they are made direct to me, but Mr. Forneret gets similar reports from his captains during the summer season. He gets a copy of those reports and I get a copy.

Q. You then meet together? A. We then meet together and look over the reports, and Mr. Forneret is in a position to say: well, so and so is needed and ought to be done, or, this may well wait for another season. Those reports establish what repair work is to be done during the winter time.

Q. Does this mean that, having agreed with him as to what is desirable and should be undertaken, you draw out a report for the Department of Marine and Fisheries and submit it to them with estimated cost, &c.? A. for the repair work we have been in the habit of submitting estimates. From past experience we know that the average repairs and maintenance for each boat will be about so much, and we ask in the estimates for a bulk sum, and then we get the necessary money to pay for those repairs.

Q. With regard to construction work, you submit also estimates to the department who approves them? A. Yes.

Q. Do you find that the expenses for which you submit estimates are getting higher, or are they stationary? A. Well, they are pretty stationary. There has been a slight increase sometimes perhaps. Of course, all years are not alike. If we make thorough repairs to one vessel one year, the next year that boat will not require as much repairing.

Q. But suppose each year the fleet is getting larger, there are more vessels to repair? A. Yes, there are more vessels to repair. For new construction, everything was about the same until two years ago. Then there was a large increase in new work, because the idea was to start building a new dredging fleet for the increased depth of the channel. The 30-foot channel was nearly completed, except at a few places, and it was determined to start the dredging to 35 feet. That meant five feet additional dredging in the channel. To do that, it was decided to start building new dredges with a supply of tugs and scows to help the work of those dredges, so there was a big programme of construction laid out two years ago.

Q. Then the estimates are approved by the department, and when the programme is also approved, you become wholly responsible for the carrying on of the work on that programme? A. Yes. Of course, the expenditure is well checked by the department, in this way, that everything we purchase has to be purchased upon a requisition sent from here to Ottawa to the purchasing agent. For instance, we may have to buy engines for one tug or dredge. We make a requisition and send it to Ottawa. We also send them a specification of what the engine is going to be, or what it should be, and then at any time they may stop the purchasing of that particular piece of work or the supply of other material, so that they keep checking our expenditure in that way.

Q. Do they consult with you as to each piece of work? A. If they do not like our programme or our way of doing the work, they may strike off a particular piece or strike off the whole work entirely.

Q. Without consulting you? A. Sometimes after and sometimes without consulting us. If I saw a thing that would be very important, I would call their attention again to the matter. It is my duty to forward all requisitions for work and for material.

Q. That is all purchased through the purchasing agent at Ottawa? A. Yes, except a few small items which they allow us to purchase here in the neighbourhood when convenient, such as hay, oats, a few articles of furniture, tools, &c. But each time a requisition is sent covering the order. Another part of my work is to sign accounts and pass them for payment.

Q. This means that you become responsible for the accounts? A. Yes. Of course the checker of goods gives his certificate also.

Q. You certify the pay lists, I suppose? A. Yes. Then we have also to certify the accounts which come up for what we call the outside appropriation, for work done, say, for the improvement of the dredging fleet. That is a special item under which new construction is carried on. All the work done under that heading has to be accounted for, and the cost department prepares detailed accounts of these jobs, and these detailed accounts are sent to Ottawa each month. The same thing if we have work to do, say for the Department of Public Works, or some other outside service. They may sometimes send us work to be done here. Accounts have to be prepared and sent to show what has been spent on these works, and the amount is refunded out of this outside appropriation to the shipyard fund.

By Mr. Lake:

Q. What is your connection with the dredging fleet? Do you provide them with supplies, &c.? A. Yes, we provide them with supplies from the stores here.

Q. Do you have to see to the fitting up of the fleet? A. That is not under my control.

Q. You repair the fleet and build new scows, tugs, &c. Do you pay the men employed in that connection? A. The paymaster is the same. All is charged in the end to the Sorel Shipyard account. As for the St. Lawrence Dredging fleet, we are the bookkeepers in a way, because their accounts are made here, but they look to the certifying of their pay lists, of their board accounts, to the certifying of accounts for things that they get elsewhere than from the yard. For instance, they will have 500 men in their employment (this is a rough figure), they have their lists, the assistant or superintendent of the fleet makes his list with the clerk, he hands this list to the paymaster, who is the same paymaster for the shipyard; the paymaster gets the money from us; we write to Ottawa to get the money here from the bank; we issue a check to the paymaster, the accountant and myself; the paymaster draws the money from the bank and pays the men in cash, in pay envelopes. He goes from one end of the fleet to the other end and pays the men. Then the pay list is signed and certified, turned in to me and the accountant, then it is forwarded to Ottawa. It then becomes part of the expenditure of the Ship Channel Fleet.

Q. And it appears in the books as distinct from the Sorel shipyard? A. Yes.

By Mr. Duckarme:

Q. Then you are Director, Accountant and Paymaster. You are acting in these 2 or 3 capacities in the shipyard? A. To a certain extent, yes.

Q. You are also Director, Accountant and Paymster for the Ship Channel Fleet? A. Yes.

Q. But the two accounts are kept distinct at Ottawa? A. No, it is one common bookkeeping.

Q. Is the appropriation by parliament for the Ship Channel Fleet or for the Sorel Shipyard? A. It is for the Ship Channel Fleet.

Q. There is no distinct appropriation for the Sorel Shipyard? A. No. Only in the details of the estimates we may sometimes mention: "so much to be spent for the maintenance and working of the Sorel shipyard."

Q. What about the employment of the men? A. The employment of men is another matter. Men are recommended to me by their friends, maybe members of parliament, or the defeated candidates, &c. A certain number of persons have a right to recommend people here.

Q. Who has that right? A. The members of parliament, first of all.

Q. They have that right on what grounds? Or what authority? A. Well, it is an unwritten law.

By Mr. Lake:

Q. For both the Ship Channel Fleet and the Sorel Yard? A. For the Channel Fleet I have nothing to do. But for the Sorel Shipyard the men apply to me for work.

By Mr. Ducharme:

Q. You have the full charge of all the different branches here. All the office work is under your control, the draughting, the yard, the machinery, the construction, &c.? A. Well, yes, in a general way; everything is under my control. But I think the accountant considers himself as being in a way under instructions from Ottawa more directly.

Q. But if the accountant does not fulfil his duty, who is responsible? A. Well, he is under my control to that extent.

Q. So is the cost accountant under your authority, the secretary, &c.? A. Yes.

Q. Do you see that these officers do their duty? A. Yes. I see to it in a general way. I go to their offices, or get them to come to mine when I want information, details, &c.

Q. Whenever you make any reports to the department, you sign those reports? A. Yes. I do not know of any reports not being signed by me. So far as I know, nothing has ever gone without my knowledge. Sometimes there may be a little correspondence direct with the accounting branch of the department, but only on matters of detail.

Q. The reports of the yard officers to the department are submitted to you? A. with the exception of the accountant's, who sometimes may write personally.

Q. You sign the annual report? A. Yes.

Q. You were speaking of the estimates to be made. These estimates are made by you for all kinds of work. Are they suggested to you, or do you suggest them yourself? A. Certain things are suggested by us, others by the superintendent of dredging.

Q. Suppose they want to build a dredge, you do not decide upon that yourself? A. That decision comes from the department.

Q. If they decide to build, they ask you for an estimate? A. The last time we prepared an estimate of that sort, there was a kind of conference between the then Deputy Minister, Mr. Desbarats, the minister, Mr. Brodeur, Mr. Forneret and myself, and the whole programme was discussed to find out what would be necessary for the improvement of the dredging fleet. It was decided then that four dredges should be built with the necessary tugs, scows, &c., to go with them. Then it was thought they could not be done quick enough at Sorel, so it was determined to ask for tenders for two of the dredges, and the other two were left us to build. The estimated cost of the dredges, tugs, &c., was mentioned in that programme, and it was submitted to the minister and approved. That constituted the work for two years to come.

Q. Who gave the contract for the other two dredges? A. That was asked from Ottawa. We had nothing to do here in connection with those other two dredges, except supply the inofrmation, data, &c.

By Mr. Lake:

Q. Did you draw up the plans and specifications for those two dredges for the department? A. No. We gave them copies of the plans of those we were building, showing the size and draught, the weight and the general arrangements. The naval architect of the department had new plans drawn and new specifications, making the vessels different in size, in power, in size of buckets, &c. The cost of them, however, is included in our appropriation.

Q. When the department make a change in the plans, that would increase your estimates, would they do that without consulting you? A. No, for work done here they would submit the change to me.

By Mr. Ducharme:

Q. About repairs, how do you know what repairs are required. How do you find that out? A. If the superintendent of the fleet is here, he advises me. If he is not here there will be somebody, the mechanical engineer or a man who knows what is going on here during summer time, who can tell what dredge or tug really wants repairs. When the boat is here, of course, some of our staff can act as the technical designer of the fleet. For instance, an engineer may report that his boiler needs repairs, well, we have a man here who will inspect the boiler and see what extent of repair may be necessary. It might be necessary to make a new bottom, or necessary to remove some tubes, or do some other alterations, our men here can judge of what is required and we determine and decide upon what has to be done.

Q. When do you make your estimates of repairs required to all dredges here in the yard? A. The estimates are made the year before.

Q. How do you make estimates of repairs to dredges which are not here under your eyes? A. We base those estimates on those of previous years. For instance, we are working now on estimates voted before the 31st of March last, and the estimates asking for that money were prepared almost a year ago. We could not know a year ago of what would happen to the boiler of tug so and so.

Q. What do you do in the case of accidents? A. Unless a very large sum is required, we take it out of the general fund.

Q. And if you ask too little for what is really required? A. There would be means of getting the money. If a dredge was to blow up, or something like that, we could get the money for needed repairs.

Q. All the heads of the departments are under your control. Do you visit the shops, the sheds, &c., very often? A. To a certain extent, not very often, but I go about and see what is going on now and then.

Q. Do you go once a day? A. I do not keep track of how often I go about.

Q. Do you go once a week, or once a month, once in six months? A. I have never kept track of the number of visits I make through the yard.

Q. You would surely go once a year? A. Yes, I think so.

Q. Sometimes you have to engage men on the recommendation of deputies, or members of parliament. Have you engaged any sometimes when you did not want them? A. I cannot say that, but I must say there is always a kind of pressure brought to bear in getting men hired here.

Q. I do not mean in the yard only, I mean in your offices? A. Some appointments have been made without my knowledge or recommendation at all.

Q. How many of these appointments have been made? A. Not a great many, but the appointments that were made at the beginning of this year were to replace men who had been dismissed. They were made direct from Ottawa without my being consulted.

Q. Those appointees took the place of others who had beeen dismissed? A. Yes.

Q. Have you any more men than you want in the offices, such as the accountant's office, the cost department or in the stores? A. I do not know of any case.

Q. Have you any complaints to make against any employees for bad conduct, misbehaviour or inefficiency? A. Well, there are two or three who would require the necessary training for the work that they have to do. They are inefficient. If one man does not properly do his share of the work the trouble falls on the others.

Q. Have you any complaint to make as to the bad conduct, or misbehaviour of men? A. No, nothing very serious.

Q. Was your attention ever called to workmen who were not reported absent when they were absent? A. No. There was once a case of a mix up in this line. One man was rather new in the yard. He must have taken his card after punching it and put it in his pocket. The punch-keeper did not report him as absent because his card was not there at all. He did not show his card as absent or otherwise. The timekeeper put the man down as present. The cost department next compared with the time-book and found the man was in the time-book, although not reported on the job, so they looked to see where he might be. He was really absent.

Q. This was reported to you? A. Yes.

Q. When the sheets come from the punchkeeper and there are absentees, are those reported to you? A. No, never. Except if a man is absent without reason, when the foreman may make me a report and say: "so and so leaves the work without cause." In that case we take the man's card away entirely.

Q. But as a rule the absentees are not reported to you? A. No.

By Mr. Lake:

Q. In a case like the one you mentioned, was the absentee paid? A. No.

By Mr. Ducharme:

Q. When you make your estimates as to how much money you want during the year, do you take into consideration the stock you have on hand? A. No, not in any special way, because the stock has been a constant quantity from year to year.

By Mr. Lake:

Q. How do you know that? A. Because we keep renewing it all the time.

Q. Have you taken stock of what is on hand every year? A. No, but we keep renewing and keep buying the same quantity every year.

Q. You suppose that the amount of stock on hand will continue about the same? A. We know if we draw more from the stock in one year than in the other.

Q. But it may mean that you are accumulating a certain amount of stock without knowing it? A. Yes, that is so. But we know of the large items. If we purchase enough steel to build a whole dredge, we expect that we will have more stock at the end of the year than if we were not purchasing any.

By Mr. Ducharme:

Q. You have so many dredges to build; you have so many pounds of steel to buy; do you order that irrespective of what you have in stock? A. No. When we make a requisition for a certain construction, we take into account what we have in stock.

Q. Do you get that from your books? A. Yes, our books will show that. For instance, the Construction Department has a list of materials, steel, angles, boiler plates, &c., on hand. Suppose we want so many tons of plates of a certain size, and we know what we already have in stock—our books show that—we go over the list and find that we have so many tons already, we do not order that quantity.

By Mr. Lake:

Q. You take it for granted that your books show the stock on hand? A. Yes.

Q. How often have you taken an inventory and compared it with your books?—A. During the last four years, we have not taken any inventory I think that the last general inventory was taken in 1905. None has been taken since.

Q. Was that before the Yard was taken out of the Department of Public Works? A. I do not know exactly when the transfer was made from one department to the other.

Q. Has the department at Ottawa ever reported to you that there had been mistakes in your estimates, or anything at all about errors of any kind? A. I do not know of any instance when that has ever happened. I do not remember the department ever calling my attention to errors. I know of their striking off a requisition for a tug that we wanted to build once, that's all.

Q. You are aware that you have on hand a quantity of old iron, that has been bought some 15 or 20 years ago? A. Yes, I know there was a large quantity of iron when I came here.

Q. Can you explain anything about that? A. No, I don't know the particulars.

Q. In that case, more was ordered than was necessary A. It is hard for me to say that, as I had nothing to do with the Yard at the time.

Q. At least, it was more than was wanted. From the experience you have, how long will that quantity of iron last you? A. I could not tell that off-hand.

Q. How about the lumber? A. The lumber that is here, I may say, I am responsible for. That is the white pine.

Q. How many thousand feet are there here? A. There is about a million feet of white pine.

Q. How much is it worth a thousand? A. We carry it at $40 a thousand. When I came here, we calculated to make a reserve of the lumber so as to have dry lumber of 2 or 3 years standing. This has been going on for 4 years. This is the 4th year.

Q. How much do you buy of this lumber? A. Something like 75,000 or 80,000 cubic feet of logs each year.

Q. Every year? A. Yes, every year.

Q. You keep it on hand to get it dry? A. Yes. This year we put in less.

Q. Where do you get this lumber? A. It is purchased in the surrounding district here.

Q. From different parties? A. Yes.

Q. Can you give the names of those parties A. One firm is Richard & Boisvert, of Pierreville or Yamaska. Another one is E. Courchesne, from Pierreville or Yamaska, I am not sure.

Q. Any other names? A. Messrs. Taschereau & Godette from St. Ours. Those three firms supply the bulk of the lumber we buy.

Q. You carry it at $40. a thousand feet. How much do you pay those people for it? A. Sometimes 23 cents, sometimes 25 and sometimes 26 cents a cubic foot, delivered here.

Q. What you have on hand, is it a million cubic feet? A. No, it is board measure.

Q. Have you any idea of the value of the stock you carry on hand, on an average? A. Now that the inventory has been taken, it shows $300,000.

Q. Had you any idea of that amount before the inventory was taken? A. I did not think it would amount to so much. Of course the inventory was taken at a time when we have the greatest supply on hand because in the fall we generally get in supplies that will be needed for the outfitting of the channel fleet. The boats begin to take in supplies at the end of March, and generally April and the beginning of May. This last month they have taken on a large quantity of several things. Now the stock is depleted. It is less than a month ago.

By Mr. Lake:

Q. What do these stores consist of? A. Mainly of rope, wire rope, sometimes an anchor or two, we supply oil, lanterns, soap, blankets, sheets and mattresses. The boats also take on a certain amount of coal, crockery and all other supplies for the outfitting of a dredge or tug. We have at present in stock an item which we do not generally have, it is 50 steel buckets that are intended for dredge No. 26. This is a

special contract that was given out by the Department and that represents at least $16,000. They were finished during the winter.

Q. When was the contract given out? A. Some time last summer, in August or July.

Q. Who got the order? A. The Montreal Steel Works Co.

Q. What was the cost? A. It comes to about 6 cents and a fraction per pound. That includes not only the casting but the boring, the drilling for the shafts, and the putting on of the steel teeth.

By Mr. Ducharme:

Q. About the stock taking, this is not the proper season for taking stock, is it? A. It is hard to say when the best time would be. We had thought that January would be the best time. It would be the best time for stores outside, but for the inside it would be a bad season.

Q. Do you think July or August the best season when preparing for the work? A. Well, we work all the time.

Q. When do you prepare your estimates? A. The estimates are made in the Fall, generally in September.

Q. Do you not think that, before preparing the estimates, it would be time to take stock. Would not July or August be the best months for stock taking? A. They might be. Again perhaps November might be better.

Q. Do you not think it would be a good thing to have stock taking carried on all the time? A. Certainly, if it did not cost too much. Stock taking means a lot of work to do and costs a good deal.

By Mr. Lake:

Q. I would like to know what are the duties of your chief officers? A. The assistant Director is also the chief of construction.

Q. He is the superintendent of construction? A. Yes, I might call him the superintendent of construction.

Q. Have you any other officers in that position? A. No.

Q. What is the name of the assistant Director? A. Mr. Terrault.

Q. What are his duties in that connection; what do they consist of? A. He takes knowledge of what the work of the foremen is, or should be, what work they have on hand each day. He sees to the issuing of the job numbers, that is the distribution of the work, so that the Cost Department will charge to the proper places the work to be done. Then he decides on all the details of the work, when it is to be begun, whether a boiler will be tested in that or this manner; he consults with the foremen and directs them as to the best way of doing the work.

Q. He is supposed to see that the foremen work in entire conjunction with one another? A. Yes.

Q. That would entail his being constantly about the Yard. A. Not necessarily, but he has to be around now and then.

Q. Is he supposed to exercise a general supervision over the foremen and see that the work is done properly? A. Yes, he gets their reports and sees how far advanced they are in the jobs and so on.

Q. Would it be part of his work to see that they were actually keeping the men constantly at work; would he have general authority over the foremen? A. Yes.

Q. He ought to be frequently exercising a personal inspection? A. When he feels that a certain job has to be supervised more particularly, he generally appoints one or two of his employees to attend and be present most of the time. For instance, when they were moving the machinery on board dredge No. 24, he had one of the men of the Draughting Room stay there most of the time, so as to see that the work was being pushed properly.

Q. What would he do if he thought that the work was not progressing as it should? A. He would urge the particular foreman ao work faster, quicker.

Q. And if not yet satisfied? A. He would report to the Director. He would report that the men are not doing their duty; he would say that part of the work was going a little slow, that we should have better results, &c. In a case like that, I would see the particular foreman and ask him to see that the work was going ahead better.

Q. Are there any instances where you have dismissed foremen A. No, I never had occasion to dismiss any.

Q. Do I understand that you do everything to give the officials a free hand. There is a certain amount of complaining by the foremen against the lack of discipline among the men under their control, that they have not enough power over their men. What do you think of this? We would like an absolutely frank statement about this? A. What do I think of it? To start with, when a foreman has been telling me or reporting that a man was not doing his duty, that he was drinking, for instance, losing time, or misbehaving, impolite with the foremen, &c., I have stood behind the foreman and dismissed or suspended that man. The only way to give control to the foreman, when he is dismissed for that or this reason, is to always stand with the foreman and have the men either dismissed or suspended, which I have always done. In some cases I have the men brought to my office and tell them to do what I wish them to do, or else leave the place. In some cases the men leave entirely, in others they improve and do better. Another complaint is that the men do not pay attention, or do not listen to the foreman. When there is a reproach of that kind made by the foremen, it is to this effect; a man will say to his foreman, " do not meddle with me, I am an employee and you are an employee; you did not appoint me here, I dont care what you say, &c." Sometimes they add: "I will go to the member for my county and he will see you about this." Another difficulty we have is to get reports from the sub-foremen. In fact we cannot keep track of the way the men behave. The sub-foremen have gangs of 15 or 20 men under their charge, and if the men do not do their proper share of work, the sub-foremen do not say much about it, because they are all friends together; sometimes they are related; one is a cousin, another is an uncle, and others have been to school together. The men will say to the sub-foreman: "do not report me or you will hear about it." It is very hard to get the sub-foremen to keep their men steadily at work. This is one of the troubles we find, especially amongst men who feel they are backed by a member of parliament.

Q. I understand that you consider there is a lack of discipline due to political interference, or political influence? A. I would like to go as far as to call it a lack of discipline, but certainly we do not have, as a rule, the hold on the men that private firms have or should have.

Q. Yes, I think you should have that hold on the men? A. But we do not.

Q. Apparently the sub-foremen are afraid to report the men when he knows that they have political backing? A. Yes, that is about the way it stands.

Q. It seems to me that no Minister would refuse to stand behind his Director should he dismiss such men A. I don't know about that.

Q. Do you think that a foreman should have the power to dismiss men himself? In certain cases it would be well for a foreman to have the right to dismiss men, but if he had an indiscriminate right to dismiss them I am afraid there would be some injustice sometimes.

Q. When you are reducing the number of men employed, who decides as to who should be sent off and who should remain? A. I generally consult with the foreman and ask him.

Q. Should you not consult with him in every case? A. Yes, that is what we do.

Q. That is what you do? A. Yes. I ask the foreman. I tell him that we have to reduce our staff, and I say: "who are those we can dispense with"?

Q. And you act upon his recommendation in that respect? A. Yes, but using my own judgment in some cases. Sometimes some men should not be dismissed.

Q. Why? A. Well, sometimes by reason of political influence and sometimes because it would be a case of hardship on the men themselves.

By Mr. Ducharme:

Q. Are the foremen able to raise the men's salaries in their branch, or is this left to you? A. That question is always submitted to me, but generally I take the foremen's advice.

Q. In that way, you stand behind the foremen? A. Yes.

Q. Has there been any cases where you have suspended or dismissed a man and reconsidered your action afterwards? A. There have been cases like this: when a man would be suspended on the complaint of the foreman, this man would come to me and explain that there was no fault of his, or that he would do better in the future. In that case I would ask the foreman whether he would be willing to give the man another chance, and I would tell the man to go to his foreman and try and make it up with him, or else that he would be dismissed for good. The foreman would probably say a bit of his mind to the fellow and keep him on, and all would be well. In a second instance of complaint against that same man however, he would be dismissed for good. I would insist upon that.

Q. Do you ever send men to a foreman who has already got a sufficient number. Do you ever have any complaints from the foremen on that point A. Sometimes yes. They will say: "We are getting pretty full of hands."

Q. Do the foremen ever say they have enough men to do the work? A. Well, no. Suppose a foreman has 40 men, and we give him 10 more, he could push his work and find new work for them and put them on. They always like to have a good many men on.

Q. If a foreman has 30 men and you send him another 10, you expect he will produce one third more work? A. Yes, quite naturally. We try to keep them busy. We try to see that new work comes from the Draughting Room.

Q. Again, if that foreman is getting regular work with his 30 men, and he gets 10 more, would he not be able to dispense with these extra 10 men; or if he found that he is ahead of his work, would not that mean that he is to reduce his staff? A. It is the hardest thing to do, to reduce the staff.

Q. And it is the easiest thing in the world to increase it? A. Exactly.

Q. So I presume your personnel would be adverse to increasing the staff at any time, unless necessary? A. They would rather say no.

Sitting concluded for the day.

May 14, 1912.

Examination of Mr. PAPINEAU continued.

Mr. Ducharme produces plan of grounds:—

Q. Would you look at this plan and show us which is the Government property and which is the McCarthy Estate property? (Mr. Papineau looks over plan (blue print) and points out the north, south, east and west). A. The southeast corner is leased from the McCarthy Estate, and used for steel storage. The Department of Public Works have built a wharf on that property last year.

By Mr. Lake:

Q. Is it a fact that, with the exception of the sawmill, the paint shop, the mould loft, the asbestos shop, the power house, the wood drying shed, and 7 stores or sheds, the whole of the buildings are on the McCarthy Estate? A. Yes. All we have.

Q. With these exceptions, the rest of the buildings are on leased ground?—A. Yes. Suppose the Department was to give up the lease of these grounds and work

towards the Government property, we would lose the frontage on the Richelieu River. There is space enough to place all the buildings of the Yard on Government property, but the frontage on the Richelieu River would be reduced, and I consider it important to keep the frontage along the Richelieu River for wintering purposes. Still I think it would be better for the Government to expropriate the McCarthy Estate.

By Mr. Ducharme:

Q. How long a lease has the Government? A. There is no definite time. It is a promise of sale on the part of the McCarthy Estate, and, at the same time, a promise of purchase by the Government at a sum to be determined by arbitration.

Q. And pending the arbitration, the Government pays $1,200 rental per annum? A. Yes.

Q. It is a pending sale on both sides? Yes, it amounts to that.

By Mr. Ducharme:

Q. How many men have got employed in the Yard A. At present we have about 730 men.

Q. With the office staff, the draughtsmen and everything? A. Yes.

Q. Have you more employees than you had a month ago? A. No. At the beginning of March last we had 950.

Q. What became of these men? A. Some have left of their own will; some have been discharged, and others have gone to work on the fleet.

Q. But some have been replaced? A. Very few have been replaced.

Q. Do you always send a number of men to the dredging fleet? A. It has been a habit to employ men in winter time on repair work who belong to the dredging fleet in summer. For instance, the engineers of tugs, some of the captains and some firemen, &c., who have trades, when they come back after navigation closes, we get them to work at repairs, &c., some as boilermakers and other work around boilers; others work as mechanics, &c. These men return to their fleet in the spring of the year.

By Mr. Lake:

Q. Do these men form a large proportion of the men at work in the Yard? A. At times, in winter, we have taken as many as 150 or 175 men from the fleet to work during the winter. This last winter we had not so many.

Q. Do you ever have any difficulty in getting men at all? A. No. In winter time there are always plenty for all labour.

Q. What are the wages you give compared with the wages of a private firm? A. I think they are about the same, but perhaps we pay a little better.

By Mr. Ducharme:

Q. Some of those men are discharged on account of the work getting less. In the spring, at certain times, you reduce the number of men. You did the same this year? A. Yes, well, this year we discharged some 50 men from the boiler shop. There were too many for the work remaining to be done.

Q. Do you consider it right to have more men than you want at present? A. Not at present. I do not consider it right In a fortnight we will have to discharge a ffew.

Q. How many men have you employed in comparison with former years, roughly speaking? A. There is not much difference between now and last year at the same time. Comparing with 1908, I happened to come across the figures a day or so ago, and I think we must have now about 100 to 120 more men than we had 4 years ago. That would mean that we increased the staff at the rate of 25 or 30 men per year.

Q. And is that because the work has been increasing? A. Well, the average number of new construction was about 3 in the past. Lately we have had 5 new constructions to complete per year. The repair work has been increasing also, because each year there has been 2, 3 or 4 new vessels added to the Dredging Fleet.

By Mr. Lake:

Q. You think that the increase in the number of men is accounted for by the increase of the work? A. Yes, it has followed the quantity and the amount of the work.

Q. During winter, what is the comparison in the number of men employed as in other seasons? A. Well, the same proportion obtains during the winter pretty near.

By Mr. Ducharme:

Q. You think you get the right kind of men whenever you want them, or are those you have the right kind? A. We have very good men; others are just good, and a few are not much good. We generally get a good class of mechanics.

Q. You have an assistant, Mr. Terrault. What kind of a man is he? A. I consider him a very good man. He knows a great deal about the work, and is a hard worker.

Q. What about your secretary? A. The secretary is a good man. He does not spare his time.

Q. He is a good man in every respect? A. Yes, in every respect.

Q. And the accountant? A. He is a very good officer. I have every confidence in him, but he is a comparatively new man.

Q. How is his behaviour? A. He has a very good behaviour.

Q. What about the cost ledger keeper, Mr. Latraverse? A. He is a good man, a smart man.

Q. Is he always on duty? A. He has remained at home a couple of times, but I asked him to stop that kind of thing, and he has obeyed.

Q. What about the storekeeper? A. He is full of good will, but I do not think he is up to the work on hand. We have had him only since the 1st January, and I do not think he realized when he came here what sort of work he had to do. He was a foundry man at St. David, I think.

Q. Was he not a merchant? A. I think he kept a store for a few years in a small way.

Q. He does not size up the work, or what? A. He is not at all famliiar with the material, and he does not seem to grasp the work.

Q. Does he exercise control over his men? A. He does his best in that as in other things.

Q. And what of the draughtsmen? A. We have a set of good draughtsmen and engineers.

Q. They all have a good behaviour? A. Yes, they are all men of good behaviour.

Q. About Mr. Braconnier, the foreman of the boiler shop, what kind of a man is he? A. He knows his work well. He is a good worker and a good manager of men.

Q. Is he well qualified to be foreman of the boiler shop? A. I think so.

Q. You have Mr. Bilodeau, foreman of the machine shop, what about him? A. Bilodeau is a good man, knows his work well and has a good hold on the men. All those men have a good behaviour.

Q. Is Mr. Bilodeau going away or is he going to keep his situaton? A. Bilodeau was offered a place back on dredge No. 7. He was there until 2 years ago as engineer, and he was brought here to take charge of the machine shop. Now he was offered a place on board the dredge *Tarte* and he would have accepted that, but I understand he was recommended to the department that he should retain his position here as foreman of the machine shop.

By Mr. Lake:

Q. Would he receive a better salary on board the *Tarte*? A. Yes, a better salary than he receives here.

By Mr. Ducharme:

Q. Nothing has been decided yet in this connection?—A. Well, they have appointed another engineer on the *Tarte*.

Q. How much was he to get on board the *Tarte*? A. I do not remember, but I think it was a matter of $12 or $14 per month more than he gets here.

Q. Now, about Mr. Badeau, the foreman carpenter? A. He is a man of long experience in the shipyard. He has been since he was a boy. He knows the vessels from end to end. He was here when most of them were built. His experience is very valuable.

Q. You consider him a good effective man? A. Yes, he is a good effective man, but he is a man with a grievance. He thinks he has been promised the place of chief constructor, or something like that, and whenever people are doing work which seems to belong to that position, he feels grieved. This does not prevent him from doing good work, however.

Q. Is he of good behaviour? A. Yes.

Q. Then you have Mr. Gendron, the foreman of labourers? A. I consider Gendron a good effective man. He is a man of good behaviour.

Q. What about the sawmill foreman, Mr. Lachapelle? A. Lachapelle is a good experienced man; a good foreman and a man of good behaviour.

Q. Then there is the pattern maker, Mr. Gauthier. What about him? A. He is a good and steady man, and understands the draughting of plans. He is a good foreman and has good behaviour.

Q. And the foreman painter, Mr. Payette? A. Payette is a new appointment, but I find him satisfactory. He is a good man and of good behaviour.

Q. What do you say about the steamfitter, Mr. Langlois? A. He is also a new appointment. He was with the Richelieu Navigation Company. He is a good worker, and steady and upright man of good behaviour.

Q. And the blacksmith foreman, Mr. Chateauvert? A. Mr. Chateauvert is one of the oldest employees in the Yard. He is always keeping up with his work, always finding work for his men and doing to the best of his knowledge and to the best interest of the department.

Q. Is he a good foreman? A. Yes, he is a good foreman, and controls his men well. He is a man of good behaviour.

Q. And about the mould loft foreman, Mr. Cofsky? A. Mr. Cofsky understands his work well. He is a man with whom we had a little trouble in former years. He used to drink, but he has given that up. For the last three years he has not drank any. He is a man of good behaviour ever since that time.

Q. What do you say of Mr. Coté, the electrician? A. Mr. Coté is very well posted with electrical work. I might say there is not enough work here to keep a man of his worth. He might do better in a larger field. He is a capable man and of good behaviour. He has been sick sometimes, but nothing to speak of.

Q. And the paymaster, Champagne? A. Mr. Champagne is a very straight man, attends well to his business and is a man of good behaviour.

Q. Can you tell me the salary of all these men? A. From momory I could not tell exactly, but I would have to see the list. You have that list all right.

Q. Have your foremen authority to discharge men whom they are not pleased with? A. They have to refer to the Director. If anything happens that is objectionable, they suspend a man by having his attendance card taken away from him. That means that the man is not working and is not being paid. But this is referred to me and if there is sufficient reason, the man is discharged or suspended.

Q. Have you power to discharge the men yourself? A. Yes, I have. I do not have to refer to Ottawa. I consider though that for the higher officers and the men in charge, I would refer to Ottawa, but as to the day labourers I consider I can discharge them myself.

Q. What about the asbestos department. Do you look into that, and do you think it is necessary here? A. Well, we certainly require some expert men to do the boiler covering, make the pipe covering, repair our furnaces, &c. That is the work those men have been doing and are doing now.

Q. I understand these men manufacture articles themselves? A. It is a way we have of keeping the men together, to have them when we require them.

Q. I suppose that the material used for manufacturing articles cost as much as it is worth after it is made into articles? A. Yes, probably as much.

Q. Would it not cost more? A. I would have the quotations from outside dealers to find that out.

Q. The object is to have those men here when you want them. You have not *always* enough work to keep them busy all the time? A. No. If we have a new construction, we require these men to put the covering on the boilers and on the steam pipes, &c. Then until another new construction is ready, there is sometimes a lapse of work, and during that lapse of work they turn back to manufacturing articles.

Q. Do you keep them busy all the time? A. They will be a little over-manned shortly. I have had to reduce that department already. I had 3 or 4 men last year taken off. They were not replaced.

Q. There is a lot of little shelters all about the place. What are those for? A. If you were here during the winter, you would see that they are needed. In winter we have to have some shelter for the men. They cannot stay out 10 hours in very cold weather without going to warm themselves.

Q. Those sheds are for the men working outside? A. Yes.

By Mr. Lake:

Q. Have you a man in charge in the sheds to see that no undue advantage is taken of those shelters? A. The foremen look after that.

Q. You could not have a foremen in each shed?—A. Do you mean the large sheds or what?

Q. I mean the small shed or shelters all over the Yard, where there are seats and a stove to heat the place. Some of those are about 12 feet square or thereabouts? A. There is a place where the carpenters keep their tools. This is shown on the plan; there is one for the men painting the boilers, and the men working on the pipes have also a shelter. Some men go in there for their dinner, and the men who do the heating of rivets go in there while waiting for the rivets to be ready.

Q. Do you consider these shelters necessary? A. Some of them are necessary.

Q. They are necessary in winter, but might they not be shut up in summer? A. Yes, they might be shut up in summer. We generally remove them in the spring.

Q. Do you discharge or engage your men without consulting with the foremen? A. I do not consult with the foremen to take on a man. Except sometimes, I may ask a foreman if he knows a man to be a good one, especially in the better trades, like a good mechanic, and a man is recommended by the foreman. I might ask the foremen if they know anything about the men, &c.

Q. If you engage a man, how do you know if he is wanted? A. We know generally if we have a lot of work to do and if we can increase the force of men.

Q. Does it happen that you engage a man when the foreman knows he has more than needed? A. Yes, it may happen sometimes.

Q. Do you not think you should consult with the foreman every time? A. I do not consult with them in a general way, but as a matter of fact I try to not send a man unless he is wanted.

Q. I suppose you are asked to put men on by outsiders? A. I do not suppose you would care to see the recommendations or the number of them.

Q. I suppose if a member should come and ask you to put on a man, you would do so without consulting the foreman? A. Yes.

By Mr. Lake:

Q. What course do you pursue in dealing with those applications from members? A. I have always been trying to buck against these practices.

Q. Do you not think you should have somebody whose duty it would be to look after these recommendations, see that the names are put on a list and take care of it? A. I do not think this would prove satisfactory. People are given letters of recommendation addressed to the Director; they come in with them and they are very particular that we get and read the letters and answer them ourselves, and if we do not give the recommendation immediate attention, or give them a satisfactory answer of some kind, they feel slighted. They go back to those who gave them the letter and say that we do not mind the recommendation but throw it in the basket, or something like that.

Q. If you replied immediately to the Deputy's letters, they would know you take the recommendation into consideration. You get a letter from a Deputy and unless you give the man a job, he goes back and tells the Deputy that you slighted him? A. If we cannot give the man a job at once, we promise we will give the recommendation attention at the first opportunity, and that he will have something to do.

Q. Of course every member is besieged with applications, and the easiest way for him is to pass them on to somebody else, but it seems to me that that somebody else should act according to his own judgment? A. Well, we do not engage one half, nor one third, nor one fourth of the men recommended. We get a great many more applications than we have vacancies.

Q. I think you should send those letters of recommendation to the foreman of the work applied for? A. Yes, but the foreman will say: "Oh, if the Director says so, we will get work for you." They always say yes. They are afraid to refuse.

Q. The foreman would not have that fear if they knew they need not be afraid of the member? A. If that point could be carried out, it would be a great benefit to the Yard.

Q. You could always switch the letters of recommendation by writing that there are no vacancies, but that as soon as it can be done you will acquiesce to the wishes of the writer? A. This is practically what we do.

Q. Then the member cannot complain, and if the other fellow complains, he can say: "We are working at your case." A. Yes, I suppose that is so.

Q. When you employ a new man, what instructions do you give to the foreman as to his employment? A. In the first case we notify the time-keeper that so and so will go on the list at such a time. It may be the next week or the 1st of the month.

Q. Do you arrange the salaries yourself? A. Generally I do. Only the labourers are engaged at a fixed salary. I take a man on trial, send him to the shop, tell the foreman that so and so is going to work for him, and a few days later, when he has put the man at work and knows what sort of a man he is, the foreman is able to tell me: "he is a man of such or such a class."

Q. Do you send a written notice to the time-keeper? A. Yes, I make out a slip and give him the name of the man coming in.

Q. It seems to me there should be a written authority right through to the accountant and the foreman, who should put the man at the proper job? A. There is no chance of missing anything. If the man is sent as, say a labourer, or a machinist, he finds his way to the proper shop.

Q. When a man is discharged, is notice also given to the time-keeper? A. Yes, notice is given to the time-keeper.

Q. Is the time-keeper in the office of the accountant? A. No.

Q. How does he know that a man is dismissed? A. He knows by the pay list.

Q. I think he ought to know at once? A. What difference would that make?

Q. I would like to know what the accountant's duties are in connection with the appointment or dismissal of men? A. The accountant must have knowledge of all the expenditure, but he would have nothing to say to the appointment of men.

Q. He ought to know when an additional man is taken on and what his pay is to be? A. If a man is to be dismissed, he is paid off. Then the acountant has to make out a cheque. He knows in that way, but indirectly.

By Mr. Ducharme:

Q. Whenever you want any goods or material, do you apply to Ottawa for that? A. We make requisition on Ottawa.

Q. They make all purchases and they supply you? A. Yes.

Q. Do you find it awkward sometimes and meet with unnecessary delays? A. Well, it happens sometimes that it takes quite a while to get supplies.

Q. Does it take long enough that the work would be suffering here? A. In some cases we have been waiting too long for things. I am not prepared to say that the fault lies with Ottawa; it may depend mostly on the supply men.

Q. They delay filling the orders themselves? A. Yes, and it takes a little time to reach Ottawa in notifying them that such and such a thing is missing or wanted.

Q. Do you think it would be better that the contracting parties be advised that so much is to be attributed to you. I mean for the department to advise the firms that you have to apply to them for goods. A. It might be. For instance, the Department of Railways and Canals makes a contract for one year. They send, at the beginning of the fiscal year, a list of the requirements of the different canals. The approximate quantity of goods they will need at each point. Then the department send those lists to the supply men who tender. Then the tenders are compared and a summary is made showing who has the lowest price for each kind of material. Then the minister approves of the lowest and then for that one year whenever an officer wants material, he looks up the list, makes an order on the tenderer, for instance, for linseed oil, he orders so many barrels from one man; he would order paint from another man, door knobs from another, &c., according as the list shows. This is a little troublesome sometimes. I find sometimes there would be some lamp wicks wanted, then some lamp chimneys on another requisition, and to have one complete lamp, I would have to send an order to three different places.

Q. Would it be the same if the government gave a whole contract to the lowest tenderer? A. Well, for instance, we send a requisition for hardware. There might be locks, padlocks, screws, &c. The department will send this list to several men. They will tender. One will the lowest for one thing and higher for another thing. The requisition will be divided in three or four orders as a result.

Q. It is the department who writes to two or three firms, while if the system applied here you would have to do that work? A. That is the way it used to be in Sorel. It was satisfactory.

Q. Was it better than to-day? A. It might have been better in this way that the shipyard was in direct touch with the men supplying the goods. If something was not satisfactory they knew that they would have to show why. It saved a lot of time.

Q. You sign requisitions for goods? A. Yes.

Q. Do you satisfy yourself that those goods are required? A. Yes. My system is to get from the store and stock-keeper a statement showing the amounts of last purchase of the same goods; the amount in stock and also, when the matter is important, the quantities issued for the same period of time previously. For instance, if it is in the spring, as at present, I would ask what was the quantity issued from say, the 1st of May to September of the previous year, so as to have an idea of what the requisitions will be for the same period this year. If I find, for instance, that we have issued 10 barrels of cylinder oil during a certain period, I will want our stock to be kept up to that quantity, because I expect we will be requisitioned for the same amount.

Q. Do you know of any case where there has been an over-purchasing of material? A. In some instances, we have material left over after a construction is finished.

We have had plates left over and perhaps a few boiler tubes, but not to any large extent.

Q. A full account is taken of the stores left on hand, I suppose? A. Yes. If we have a certain quantity of material that we are going to order, we would keep that in mind in making the requisition.

Q. You have been watching the inventory that has been taken, as well as the officers employed on it. You are satisfied that every care has been taken to get at an accurate result? A. Yes, we have taken all due care. We had some new hands that were brought in. We got the best help we could. There must have been very few errors in the inventory.

Q. What mistakes could have been made? A. In looking over the sheets, I found in some instances where prices had been taken per hundred instead of per item. These were checked over, however, and I think these errors disappeared.

Q. They were checked and will be checked over again if necessary? A. Yes. The intention is to open a new stock-book on new forms, based on this inventory. The prices of course will have to be further checked in case of mistakes.

Q. You propose to make this inventory the basis for the opening of new books? A. Yes.

Q. Did you take an inventory of construction steel at the same time? A. No. This was taken from the lists in the construction department.

Q. But in a physical inventory? A. No.

Q. How long since you have taken an inventory of the construction steel? A. I think it was in 1910.

Q. Do you think it would be well to take one every year? A. Yes. It would have been done in this stock-taking, only in winter time it would have entailed a great deal of work on account of the snow. After the snow was off the ground, we had a flood, and it is only lately that the steel has been available.

Q. Is it your intention to go on and take an inventory of that as soon as possible? A. We have not decided either way.

Q. No inventory was taken since 1910. Do you not think it would be better to have one taken more frequently? A. Yes, but an annual moving of 700 tons of plates is a big job.

Q. Do you think an inventory taken at present would show a considerable amount of obsolete stock in general? A. Yes, there is some obsolete stock on hand.

Q. Have you a plan as to ascertaining the quantity and value of that stock and how to get rid of it? A. The best plan would be to have it looked up by what might be called a committee of three or four general construction men, among whom perhaps myself and the store-keeper, and find out what is likely to be used and what is not to be used at all.

Q. Some of it will undoubtedly be a little over valued to-day. I presume you would take the value of it at present to figure on your inventory? A. Yes.

Q. Will you get that very shortly? A. If we have time, yes.

By Mr. Lake:

Q. The timber purchased here, is this bought by the purchasing agent at Ottawa? A. Yes.

Q. And inspected by you or by him? A. The theory of it is that the department should name a man to do the inspection. But they have asked us to supply a man to do this inspection for the last three years, and it has been done by the foreman of our sawmill.

Q. Does he inspect the timber at the time it is purchased? A. No, after it is purchased.

Q. And he also sees that what is selected is delivered here? A. Yes. It is done in this way, a specification goes to Ottawa covering the quantity and size of logs that

we require. There are issued notices in the papers that tenders will be invited. The purchasing agent then sends copies of the specification to the tenderers and asks them at what price they will supply the timber required. When the price is correct we are notified that so much timber has been purchased by the department from so and so.

Q. Have you ever had any complaint as to the quality of the timber supplied? A. Our man is the judge. He culls what is not satisfactory before it is delivered. The men supplying the timber ask the department as a favour to send our inspector on the ground where the timber is cut.

Q. Who sends him there, you or the department? A. The department asks for him and we send Mr. Lachapelle.

Q. Mr. Lachapelle goes on the ground to inspect the timber? A. Yes. He goes where the timber is piled, sees it before it is put in the river and culls what is not satisfactory. What he accepts is good and he marks it with the stamp of the Department, M.F.D.

By Mr. Ducharme:

Q. That is the only inspection of the timber that takes place? A. Yes.

Q. Do you find what he gets is satisfactory? A. Yes, considering the price we pay, it is not bad.

Q. That would be for white pine? A. Yes. We have bought some at 23 and 25 cents, which is cheap. Some people have tendered on specifications and have asked as high as 45 cents.

Q. Where is that white pine taken from. From this country? A. Yes, from firms around this country. There is nothing of a large size because all the large timber has been mostly cut years ago, but sometimes some old settlers will have some on reserve and sell it to the Government.

Q. Some of that timber, I am told, has shrunk in the cutting, and you get only about 50 per cent of what was purchased? A. There are two or three different ways of measuring timber. The way we do is to pay for a square deal to three-fourths of the diameter.

Q. You do not think there is any excessive shrinkage? A. No, I don't think so.

Q. Have you noticed that in cutting, the slabs are sometimes very thick; I saw slabs 3 inches thick. That would reduce your piece of wood 6 inches? A. Not necessarily. If you have a log that is not straight, you will lose 3 or 4 inches on one side, but the other side will not leave much of a slab.

Q. What is the percentage of loss on the average sawn product of white pine from the log? A. We should not lose more than 15 or 20 per cent.

Q. You know how much wood you produce? A. Yes.

By Mr. Ducharme:

Q. I notice that your stores are pretty well scattered. Do you not think it would be better to have them all together? A. Yes, certainly. It would be an improvement. It would save time in supervision, &c.

Q. I also noticed that mostly all your iron plates and angles are unloaded from the cars and drawn away. Do you not think it would be better to leave them there when unloading the cars, because when you want to employ them you have to go and take them back to load them? A. Yes. Well there is not room enough near the cars to leave them there. We had thought of extending the yard beyond the fence and have it alongside the railway track, but outside the present fence. We would have a fine yard for plates there (showing on plan). That would give us a good yard.

Q. I see there is a kind of office or shanty there (on plan)? What is it for? A. That is for the man having charge of the yard.

Q. For handling?. A. Yes, for handling.

Q. That takes a man all the time? A. Yes, at present the man is in the mould loft, but we used to have a man there all the time.

Q. So if a man wanted some iron, he could go to that party and ask for it? A. Yes. He has lots of different piles and knows where to find the plates.

Q. Is the iron given on a requisition form or just a small slip of paper? A. It is given on an order made on a slip of paper.

Q. That order contains the name or number of the plate wanted? A. Yes.

Q. Every individual plate is numbered? A. Yes. The men of the mould loft has a list of all the material that has been purchased for a particular work. That man is the one who looks after placing of the plates on the vessel according to the plan. As the construction progresses, he finds he will have to get a plate say 2 x 10 feet long. He looks in his list and the plate is likely to have been marked with a special figure or number on that list. He finds the way the plate is marked, then he hands his slip to the man in charge of the plates. They look in the proper pile and find the plate that will suit for the work wanted.

Q. Then that man renders an account of all the slips he receives for delivery? A. Yes.

Q. Who does he render account to? A. To the stockbook-keeper.

Q. Who returns them to the stockbook-keeper? A. The employee of the mould loft.

Q. You close at 5 o'clock in the winter? A. Yes, at 5 o'clock.

Q. And the men are paid full time? A. No, they are not paid full time. There is 10 per cent reduction on the pay, except for the men who are paid less than $1.45 per day. Men paid $1.35 are not reduced. The men who get $1.45 are reduced only 5 cents, they get $1.40. This is a special favour. All others are reduced 10 per cent. If a man receives $1.80 per day he will lose 18 cents.

Q. Do you know about how many men get $1.35 per day, from memory? A. We have it figured out. It was asked as a special privilege to keep the men at $1.35. There must be about 135 of them I think. However, you have the list.

Q. We find that the office men come in at 8.30 in the morning and go away at 5 in the evening. Who has charge of the establishment after 5 and before 8.30 in the morning? A. Well, there are the watchmen in a way. There is the assistant checker of time, who stays here until the whistle blows.

Q. There is nobody in charge of the yard from 12 to 1 o'clock and from 5 to 6 in the evening? A. In theory, no. As a matter of fact we are more often here until 6 o'clock than otherwise.

Q. Would it not be better to have a man take charge during that time? A. Well, I suppose it would be better to have a man.

Q. All inside officials, clerks, &c., sign a book of attendance? A. Yes.

Q. Is that book brought in to you every day? A. Yes, every day.

Q. Do the watchmen sign that book also? A. No, not the watchmen.

Q. How do you know they are at their work regularly? A. They are present when the assistant time-checker leaves. They come in to take their clocks. He hands them their clocks and they start their night work at 6 o'clock.

Q. What proof have you that they are regularly at work during the whole night? A. They have to go to certain points in the yard and insert a key in the clock. The clock has a paper dial inside showing at what time the key was applied.

Q. Those keys or watches are stationed at different points in the yard? A. Yes, at four or five different points. The keys are attached and fixed at each spot. The watch or clack is movable but the key is fastened.

Q. Is there no way under the present system for a watchman to go only once and register for the whole yard without being found out? A. There is no way, unless he would unfasten the key and keep it with him.

Q. Could he do that? A. I suppose he could once or twice.

Q. Would that not be avoided by his having to give a written certificate of his periodical visits? A. The time-checker follows that part of the work. There is no written certificate.

Q. When the paylist is made up, the time of the watchman appears on it? A. Yes, the details show that the work has been done each night.

Q. I do not quite understand. Is the clock or watch carried with them and handed in each day to the time-checker? A. Yes. It is handed in the office each day. In the morning the clocks are handed in. The watchman cannot open this clock himself. They bring it back in the morning. When the time-checker comes, he has a special key to open them. He takes the paper dial and puts in a new one. The watch is placed there for the man to take it again in the evening.

Q. You keep a record of all the works, the cost of everything? A. We make what we call the annual report to the department.

Q. Do you keep in your office a record of the cost of everything? A. This is kept by the cost department in conjunction with the assistant director.

Q. Do you keep a record yourself, say, of what a dredge or scow has cost? A. That is included in the general report to the department. In the accountant's branch there is a record of each construction.

Q. Supposing you want to know what is the capacity, draft, &c., of such a dredge, you have no record of that? A. The draughting room has that pretty complete, that is the length, the capacity, draft, &c. Before my time, records of these were made on regular printed forms, all uniform and with all details.

Q. Suppose you asked for information of that kind, who could it be got from? A. From the engineering branch here.

Q. I saw this morning a lot of old iron, or scrap iron in the yard. What is the reason for it being scattered all over instead of being dumped all in one spot? A. We are trying now to get all that in one place.

Q. Why was it not done before? A. We are starting a new field for scrap iron. The parings are just dumped and cannot be sold as scrap iron. At one time we were offered $25 a carload for it. We would have to load it ourselves and it would not have paid.

Q. You have no water closet supervision. There is, I believe, a great deal of time lost in those places? A. Well, I suppose so, though they are not attractive enough to lose time in.

Q. There are no watchmen, no superintendent walking around the yard all the time? A. No. There used to be one at one time; a sort of walking boss, but we have none now. He gave up the job when he noticed pieces of iron, bricks, &c., flying around his head.

By Mr. Lake:

Q. Do you ever value the dredges that you build. Have you ever made a comparison between the price it cost you and the price it might have cost if given out by contract? A. No. Others have done it. I do not know what the result has been. There are very few firms building these dredges on this side of the water, so we could make a comparison with.

Q. Could you value dredge No. 8 and say how much it cost to build? A. We have that information in our books.

Q. Could you establish a table or estimate by which you could see whether it cost you more than it should have cost? A. It would require an expert builder to do that. Probably a naval architect.

Q. Do you work out an estimate in detail yourself? A. No. Generally the work has been started, and the planning and estimating has been done as the work progressed.

Q. Do you not think it would be better to have it worked out in advance? A. Yes, but as a rule, it has been started in this way: when a large construction was

determined upon, by comparing with previous constructions it was estimated or guessed what a boat of that size would cost approximately. The money was asked for and the work of draughting went on.

By Mr. Ducharme:

Q. At what price was dredge No. 8 estimated? A. Well, that I could not tell. She was completed before I came here.

Q. Have you built any since? A. We have finished dredges Nos. 10 and 11.

Q. A dredge is estimated to cost so much; when completed it costs more. When you build another you can see what was the difference by comparing the cost of the first with the second. Could you do that now? A. We know at once the cost of each part of a dredge.

Q. Have you under construction a dredge or tug that you could compare with a former construction, to see whether you have paid too much, or are paying too much? A. Well, we have built different dredges, of different styles. For instance, the dredge *Fielding* was built here. She was an elevator dredge, combined with hoppers. That was the only one of that kind built here. Then the No. 8 dredge is a suction dredge. That is another style. We have not built another one like that.

Q. But is there not in those dredges certain parts that you can compare with others and guide yourself as to cost comparatively? A. Yes, that is where the work is divided in jobs. When we start making a cutter head, we can compare with others previously built and allow for the difference in size. We would allow for the length of the shaft, &c., and all that information would be a guide for future work.

Q. So you could establish a comparison in the cost for past work if you had the same work to do now? A. Yes.

Q. Have you parts of constructions that you could compare with the cost of former constructions to see whether you are improving or not? A. Yes. We can find things that way since the cost department has been established.

Q. Can you find a comparison of that kind and send it to us to Ottawa? A. Yes, I will try and do that. We have tugs that we are building, but the last one we built was a wooden tug and we are building steel ones now. I think they will compare well with the last two small tugs. They are the same size.

By Mr. Lake:

Q. Do you not continue building wooden scows? A. A wooden scow will suffer less in grounding than a steel one. Another reason is that we can turn them out quicker. If we had been building steel scows it would have taxed our capacities. We are limited for the amount of compressed air that we can use. We have reached the limit of what we can do with compressed air without getting new machinery.

By Mr. Ducharme:

Q. You keep eleven horses, two double teams and seven horses. Do you require all that all the time? A. We find work for them all the time.

Q. Where are they to-day? A. They must be hauling timber here and there in the yard. They change every day. The foreman of the yard has the control of them and he would be the man to tell exactly what they are doing.

Q. You have teamsters? A. Yes.

Q. They are paid all the time whether they are busy or not? A. Yes.

Q. In the winter time is the narrow gauge railway track used? A. No, in winter we use sleighs for hauling.

Q. Could not the track be kept clear in winter? A. Suppose we tried to use the track and a snow storm came along, it would take a couple of days to clear it and we would have no transportation means.

By Mr. Lake:

Q. If you are able to draw all your material during the winter, surely you have too many horses for summer, when you have the tracks? A. The heavy construction

work that goes on in summer time is as much as in winter. The tracks do not reach every point of the yard and we have to use horses.

Q. I think you must be over-stocked with horses and teamsters, during summer? A. Well, when I came here four years ago, there were ten horses, but we lost two, which were getting old and useless. So we bought another team, and then bought a single horse and exchanged another until we have now eleven.

Q. I saw a man mending harness, &c. Does he spend all his time mending? A. Yes, he spends most of his time at that.

Q. Have you any idea of what the stables cost you, the horses, stablement, repairs to harness, &c.? A. We could find that from the cost department. It means a cost of about $35 a day, I think.

By Mr. Ducharme:

Q. In the stores I have noticed quite a lot of harness, &c. Do you sell? A. No. Perhaps we are a little over-stocked in that line. The last requisition was made last fall. We have enough left for next year I think.

Q. How many of sets of harness have you in the stores? A. I could not tell from memory.

Witness retired.

OTTAWA, SATURDAY, May 18, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

CECIL F. DOUTRE, Purchasing Agent, Department of Marine.

Examined by the Chairman:

Q. When were you appointed to your present position? A. July, 1908; I will be there four years this July.

Q. What was your previous position? A. Commissioner of Wireless Telegraphy for the Government.

Q. You purchase the supplies for the Sorel Shipyard? A. I do.

Q. Will you please describe the process of making the purchase? A. This morning when you telephoned me I got out a couple of files to show the process. The same thing which is done in the case of Sorel will apply to all the agencies of the Department. They have a requisition form of which I now produce a copy, which is made in triplicate and printed on three different colours of paper.

Q. When you say 'they' you mean the Sorel Shipyard people? A. Yes, the Director of the Shipyard at Sorel and the agent of the Department at all other points.

Q. In the case of the Sorel Shipyard, whose signature would you recognize? A. Mr. Papineau.

Q. And that of no person else? A. That of no person else except probably in the absence of Mr. Papineau then I presume I would recognize the signature of Mr. Perrault, his assistant, but as far as I remember Mr. Papineau has never been absent since I have been in this position. That form is filled in giving the quantity of any article required and stating what they have on hand invariably. We get that infor-

mation in order that I may know that they are not buying in advance of their requirement. For instance, if they were to send in an order for 4,000 feet of one inch pipe, in the absence of any knowledge of what they have in stock it would be very difficult for me to know whether they wanted that, or whether they were not buying ahead for a year. We do not make contracts buying ahead for a year; we generally try to buy for not more than four months supply for the simple reason that the Government carries no insurance on their stock and in the event of loss it would be a complete loss. If then they sent a requisition for 4,000 feet of one inch pipe and I found they had 2,000 feet of that pipe on hand I would consider that a large amount to buy and consequently I would perhaps cut it down or I would not buy it at all if I thought it was too much.

Q. And I suppose what you would do, before you came to any decision on that, would be to enter into correspondence with them? A. Undoubtedly we would write to them and tell them they had so much on hand and they were asking for so much, and unless they had immediate use for it or some large work which required this particular article in that amount I would tell them that the order on that requisition apeared to us to be very large and we would like to hear what they had to say about the matter.

Q. I presume the way you keep track of that is by simply examining the requisition itself? A. Yes, I may say in explanation that unfortunately I was put in charge of all the different stores all around the country. I am really at the head of all the stores. I am a sort of general superintendent storekeeper for the Department of Marine and Fisheries as well as being purchasing agent and I objected to that most strenuously for the reason that I had not at my disposal any machinery for inspecting these stores. At that time the accountant was made inspector as well as accountant and he would do the inspection of the stores; that was the decision that was come to when I made the objection. The accountant was Mr. Boyle. His duties as accountant were accepted to be with accounting, but he went around to the stores and visited them. There really has been no systematic inpection of the stores for the simple reason as I say that my time is taken up entirely in Ottawa. I cannot leave Ottawa for a day without great inconvenience and I have no machinery for inspecting the stores, and the only inspector we have is Mr. Boyle. Recently however, the Government appointed Mr. Tremaine inspector of agencies. Mr. Tremaine used to be our accountant in Halifax and he is making an inspection of all the stores and of the agencies. As soon as he returns he will take up that work and be able to inspect these stores and attend to that part of the business. The stock is taken regularly and copies of the stock sheets are taken to Ottawa in order that they may be examined and that we may see we are not carrying an excessive stock.

Q. I see a column here in the requisition marked 'date of last supplies and quantities'; that would only refer to the last order that had been filled? A. Yes.

Q. That would not show what is left on hand? A. That is so, and the consequence is that the information is seldom given; it is invariably the quantity on hand; the form of the requisition is wrong in that particular; it should be the quantity on hand.

Q. It should be the quantity on hand? A. Yes, the quantity is invariably given. That requisition form that I have given you there is one of the original stock of requisitions and we have abandoned some of it and as soon as the stock is finished I will change the form.

By Mr. Lake:

Q. Is there any information in respect to the annual or monthly consumption of these articles? A. Oh, yes.

Q. Is it monthly? A. Not monthly; I have no doubt you gentlemen have here a copy of the stock ledger.

Q. We have them here for all of the departments. A. They are all the same. On one side it gives the nature of the goods, the date, the requisition number, the

article and the quantity that is taken in; on the other side is the date, the requisition number, the article, and the amount outward, and then the last column shows the balance on hand.

Q. Are you referring to the ledger which is kept in the different agencies? A. In the stores of the different agencies.

Q. Is a copy of that supposed to be sent to you? A. No, except when we ask for it. We might ask them how much of that particular article was used in the last four months and they would send it to us. Or, for instance, we are now buying spring supplies at the present moment, paints and things of that kind. If we thought they were requisitioned in for an excessive quantity of white lead for example we would write the agent immediately asking him to let us know how much white lead he used last year from the 1st of January to the 1st of June, and all he would have to do is to take the stock ledger, turn it over, and take the outward supply for that period and he could give us the exact quantity used.

Q. What you mean is to say is double barrelled, first that each agency, including Sorel, is supposed to keep a stock-book? A. Yes.

Q. And they are supposed to keep that stock book written up? A. Yes, sir.

Q. And therefore to be able to furnish you with information when you want it? A. That is the idea.

Q. And up to the present time, when Inspector Tremaine was appointed there was no inspection of a periodical nature of the stock-books? A. Well Mr. Boyle used to go around. At that time he was accountant and inspector and he went to Quebec and Halifax and in fact all the agencies, and he looked up the stock.

Q. At what regular periods did he do that? A. Well, I presume he would go perhaps two or three times a year, but it was not monthly.

Q. Are you not speaking from your general impression and your understanding of the matter now; I think you do not know much about it personally. You think Mr. Boyle did that in every case? A. Well, that was the object of Mr. Boyle's visit and I presume he did it.

Q. We have positive information that a physical inventory has not been taken at Sorel for several years? A. That is a surprise to me.

Q. With great difficulty and after great pressure this Commission has succeeded in forcing a physical inventory to be taken, and a comparison with the books is going on at the present time and we have enough information on hand now to know that there will be discrepancies of one kind and the other? A. I have no doubt.

Q. That shows as a matter of fact, that the question of taking a physical inventory has not been carried out notwithstanding the fact that they have down at Sorel a staff that could do it? A. I cannot speak definitely as to that, but Mr. Boyle could give that information because Mr. Boyle went down to Sorel and I think he was there for a month. What he was doing I do not know, of course.

Q. When was that? A. Last fall, I think. He was there there for three weeks or a month, I think, and I presume that that is what he was doing.

Q. When you get your requisition do you inform yourself to the best of your knowledge and care and consideration, whether that quantity of supplies should be sent or whether a smaller quantity should be sent? A. Yes.

Q. And then what is the next step you take? A. We get that and we are satisfied that the articles are required, we send an inquiry as to prices on that form (form produced) to the leading merchants in their respective lines.

Q. With reference to that, have you been in the habit of sending this out to all the persons in the particular line of business, or just to certain persons? A. Not to all, but I would say we send it to the leading people in their different lines of business and in addition to that we might send them to some people who had been specially recommended to the department as being able to supply the department with these goods. If we find persons recommended in that way and yet we are satisfied ourselves that the man is not in a position to do business with us and that he

cannot compete with the others, we still give him the benefit of the doubt and we ask him to quote prices three or four times, and if he does not succeed in getting an order then we strike him from the list. We have a list of all the different people in all the different lines of business. We will take the list of hardware people, for instance, and we find on it Fotheringham & Workman, Coverhill Learmonth, and so on, who are large dealers. If a man is recommended although I know he is only a retailer, nevertheless we will put his name on what we call the active list. If after we ask him for quotations three of four times we find he does not get an order we take him off the list or otherwise we would have a list practically of every retail man in the country.

Q. Was the basis of that list commenced by the recommendations into this department? A. Absolutely so.

Q. In other words, is it a political patronage list? A. Such a thing does not exist in our department.

Q. And has not existed? A. And has not existed in our department since shortly after I came to the department to this position. These lists were abolished in the fall of 1908 at my suggestion and the minister made a public statement in the House abolishing the list.

Q. But up to that time there had been a list of certain people from whom you were expected to buy? A. It is pretty hard to say that. We did not follow the list at the time and that is what caused the trouble. We were supposed to confine our inquiries to these parties who were on the list, but as a matter of fact we did not do so.

Q. And on your recommendation that practice was abandoned? A. Yes, I represented that I could not buy intelligently by following that list. I had to go outside of it and that caused friction.

Q. And you insisted on being at liberty to buy where you liked? A. I requested that privilege and it was granted to me.

Q. That occurred in the fall of 1908? A. Yes.

Q. And have you since then, and are you at the present time, allowed perfect liberty to select? A. Absolutely.

Q. Did you then start to make out a list? No. We have a list. We take a man who is recommended to the department as being able to supply pipes or articles of that kind, and I call in my clerk to look after these inquiries and I say to him, put on the name of John Smith for pipes and so on. I tell him at the time that I do not think there is any use of sending inquiries to John Smith, but to send three or four in the usual way, and if he does not get results to drop his name from the list. John Smith goes on the list, and he is asked three or four times for prices, and if he does not get orders he is dropped from the list. I may say that that list is made up of the leading people in their respective lines.

Q. You have a special clerk who does that? A. Yes.

Q. What is his name? A. Mr. Kelly.

Q. He keeps this list? A. I think he keeps them on a card.

Q. Now, assuming that you require some goods to be delivered at the port of Montreal and they were hardware goods, I suppose there are a large number of dealers in hardware in Montreal? A. There are.

Q. Would you send out an inquiry to all the dealers in Montreal who are engaged in that business? A. No.

Q. How would you make your selection? A. Based on the experience which I have had in the past three or four years in buying we have a fair idea of the people who are generally capable of quoting the lowest price to get the business and we send to these people. We send to four firms or six firms or sometimes to ten firms as the case may be, and I consider that is getting ample competition to enable us to get the lowest prevailing market price; I am satisfied of that.

Q. Not doubting at all that you would be fair in the matter, yet is not the system one which leaves you as purchasing agent a great deal of power in selecting the people you are to buy from? A. Of course. A man in my position of course could leave off people if he wanted to do so.

Q. And you could persistently do that? A. I could persistently ignore such firms but any firm who can quote the department satisfactory prices is not very likely to be overlooked in the matter.

Q. That is provided you are all right? A. Yes.

Q. But provided you are going wrong, it does give you the power to wreak your vengeance on a particular firm, does it not? A. Yes, I could. For instance, we have had trouble with different firms and we have simply put them off and we won't have them to quote prices.

Q. There are infirmities in every human system, and while I am not now suggesting against you in any way, yet I am trying to test the system? A. Exactly.

Q. Is there any supervision over you in what you do; is there any person who consistently says to you: Well, now, let us go over what you have been doing in the past two or three months and explain to me what you have done, or, are you left a pretty free hand to do as you like? A. I am pleased to say I am left an absolutely free hand to do as I like; no person has ever questioned me.

Q. You have a very responsible position? A. I realize that Mr. Chairman.

Q. Do you have complaints from time to time about unfairness? A. Yes.

Q. You do? A. Yes. Well I should correct that, not of unfairness. But we have had complaints when a party will write invariably to the Minister, to the effect that he is quoting prices to the department every time and has not yet succeeded in getting business and he does not understand the reason why. He may say that he is quoting the same price that he is getting from other departments and the same price as enables him to get business from some large corporation such as the Grand Trunk or the Canadian Pacific Railway, but he cannot get business from the Marine Department at these prices. In that case the Minister always asks for a statement of the facts and I give a statement to the Minister of the price the department is quoted and the price at which we are purchasing and then a letter is dictated in the office of that report of mine and sent to the party.

Q. And that is to some extent a check upon you? A. Yes, sir.

Q. I suppose it would be advisable rather to err on the side of asking too many persons for quotations than too few? A. It would, it is only a question of staff.

Q. Have you a minimum of persons from whom you are permitted to ask for prices? A. No. No fixed number has ever been set but I would say that I certainly would not like to ask less than three and I would prefer to ask probably five or six. If you have five or six merchants in their different lines competing you practically cover the entire field.

Q. Of course, for the main lines you have to purchase in the department there are a considerable number of dealers so that you have no trouble in getting competition? A. We have no difficulty on that score, the trouble is that we have too much competition if I may so express myself. In other words we are asked to ask many more people than any ordinary commercial house would ask when buying supplies and that is invariably owing to the nature of the government work. We try to keep the number down to some reasonable number. The number we ask is very frequently guided by the number of copies we can make of the invitation to tender. If we can make five or six copies we ask five or six people and instead of making out another set of sheets we confine our inquiries to six or seven houses. You take the paint manufacturers of Canada for instance. There are some large paint manufacturers and there are some small manufacturers and we generally try to cover them all and consequently when we send out our specifications for paints we invariably send them out to all manufacturers, probably some ten or fifteen. When I say all the manufacturers of paint I mean all the known manufacturers. There may be some little

man in some small place manufacturing 500 barrels of paint a day who is unknown to me but all the firms, the large firms, the Canada Paint Company, Sherwin-Williams, Ramsay, Martins-Senour, Bradner and Henderson, and the National people in Toronto; there may be nine or ten of them, but we ask all the leading firms.

Q. You speak of the number of copies of your specification that you send out or can send out; are they typewritten when you send them out? A. Always.

Q. Have you not some duplicating apparatus in the office from which you could make a larger number of copies? A. No, we have not. There is in the department one of these multigraphs but we have no person to work it.

Q. Have you in your department a sufficient staff?. A. Do you mean in my branch?

Q. Yes. A. Yes, I think I have for the present season.

Q. Have you the necessary office apparatus as fully as you would see it?. A. Yes, I would say so.

Q. Would not some duplicating machine be an important addition to your office? A. It might be, except as I say, where the circumstances warrant it they make two typewritten sets of these specifications and the girl can do that in much less time than she could by setting up one of those multigraph affairs that can make a hundred copies; as I understand it, it takes much less time on the typewriter.

Q. You have not any case in which under any circumstances you would require a large number of copies? A. No, and whenever we do, if the circumstances justify it, we make them get out two sets on the typewriter.

Q. Well, you send out your inquiries and you get your prices and then of course you send out your order? A. Yes.

Q. And you frequently, I suppose, split up the requisition into a number of orders? A. Very frequently. We take the lowest price in each individual case, we never take a lump sum price, much to the disgust of the tenderer.

Q. You take unit prices? A. Yes.

Q. With regard to a great many of these things how do you do as to quality? A. As to the quality of paint and oils, all of our large quantities of paints are purchased according to our own specifications which have been prepared in the Department. I refer now to our spring supplies for maintenance of lighthouses and so on. A contract is given for the supply of this paint and the materials before they enter into the manufacture of the paint are analysed.

Q. Where are they analysed? A. Last year they were analysed by Prof. Ruttan of McGill University before they were allowed to go into the paint. I may say incidentally that the Sherwin-Williams Company, within the last four days, cancelled an order I placed with them for paint because they refused to analyse the ingredients before they went into the paint. They said they had a standard article which was better than the article we called for, but nevertheless we cancelled the order. I think the Canadian Inspection Bureau are inspecting these ingredients this year.

Q. Why did you not have the same Inspector as you had last year? A. Mr. McPhail, the Commissioner of Lights, looks after that; he takes charge of the inspection of ingredients. He had Prof. Ruttan do it last year but I know the Canadian Inspection people were seeing him this year to get the work and whether he selected them or not I do not know. At all events, the materials will no doubt be analysed before they enter into the composition of the paint.

By Mr. Lake:

Q. Are they not inspected under the direction of your department? A. Mr. McPhail was responsible for these specifications and he puts his own inspector in the factory when the paints are being manufactured. He has taken that course in the past and no doubt he will do it this year also.

By the Chairman:

Q. You are ordering certain goods and you order on certain specifications? A. Invariably.

Q. And then Mr. McPhail has to do with seeing after the inspection? A. Only in connection with the order of maintenance paint which is for all lighthouses and which amounts to 7,000 or 8,000 gallons.

Q. How do you arrange with Mr. McPhail to know that he is looking after the matter? A. We get these tenders in with the deposit checks and we take the lowest price in each individual case. The deposit check is something like $200 from each manufacturer. Then, the order is placed and a copy of that order is immediately sent to Mr. McPhail so that he could know who gets the order and his inspectors get the tenders and go to the factory of the party who has the order and see that the ingredients are tested when they are approved I presume a sample is sent back again. When the paints are being made I understand that an inspector from the lighthouse depot at Prescott goes to the different factories and sees that the order is made up strictly according to specifications. After the paint is delivered tests are made of the paint and I understand it is difficult to make an analysis of paint when once the ingredients have all been put together. In discussing that some time ago with a gentleman he informed me that these ingredients underwent certain chemical changes when once they were mixed. Then, when the paint is delivered the tins are measured to see that they contain a full Imperial gallon. Last year one of the paint manufacturers was obliged to supply us with 145 gallons in addition to what he had already supplied on the order on account of it being discovered that all the cans were not full Imperial measure. All reasonable precautions are taken to see that everything we get is in proper order and according to the tender, and that applies to everything we purchase in the same way. For instance, all the chain we buy is Lloyd tested chain. That chain is tested by Lloyd's in England and a certificate must come with the invoice for the chain, and unless it is received it is not paid for. For instance, we had a case recently where a privately tested chain was supplied by Hinckley & Sons of England. The private test was fully equal to the test of Lloyd's and we got a certificate with the test of it. There was some correspondence about it and we informed them that all the chain we bought was Lloyd's tested chain.

Q. Speaking of the paint for the lighthouses, after all that inspection has taken place, what is there to prevent the substitution of inferior paint for the kind you have purchased? A. By whom do you mean the substitution would be made?

Q. By the people who sell? A. By the manufacturer?

Q. Yes? A. The paint has got to be put up under the supervision of our own inspector. It bears a special label written in French and in English with the name of the Department of Marine and Fisheries on it and also instruction is given on the label as to the best manner in which to use the paint. Then, it is put up in special cases containing so many tins, and it is shipped, and after that the paint is distributed.

Q. And with all that inspection and labelling and shipping you have nothing to do? A. No.

Q. Having made the agreement for the paint in that way, the matter ceases to be of any interest to you afterwards? A. No, I would not say that. Mr. McPhail looks after the inspection and so on, because he has the staff to do it.

Q. When does it come under your jurisdiction again? A. The only time it would come under my notice again would be as in the case last year when there was this shortage in the tins delivered and the tins were found not to measure a full Imperial gallon.

Q. But ordinarily, the matter would not come before you again? A. If they got the full amount and the paint was satisfactory the only thing I would see again would be the account for that paint which would come back from the lighthouse depot to

the effect that they had received so much paint from these people and that the quality was satisfactory.

Q. That certificate has to come to you? A. It has to be on the invoice.

Q. Do all the invoices have to come to you? A. Every one goes through the department.

Q. And you have to certify? A. I have two clerks who have power to certify.

Q. The certificate of your office has to be given? A. My name has to appear on every one of them.

Q. That is the last certificate that appears on them? A. That is the last.

Q. You really have to certify to the price of them? A. I have to certify to the price and as to the fulfilment of the contract that all the conditions have been fulfilled or otherwise the account would not be passed for payment.

Q. We will leave that particular case and take the paints that are supplied for Sorel which is the particular case we are dealing with at the present moment. You buy a certain quantity of paint for Sorel; is that bought by specification? A. No, it is simply pure paint. We buy pure paint there and we have endeavoured in cases of that kind to regulate the quantity of each kind of paint supplied. In the case of Sorel there are certain paints a very small quantity of which would be used such as Prussian blue which they do not use much of. In the case of Sorel, and in the manner in which they want their paints and the kind of paints, it will be very difficult to get paints made up to specification. In fact, I could not get the manufacturers to do it. You take in the present instance with this large order for maintenance paint, Sherwin-Williams absolutely refused to supply a paint made up to specification; they would not bother with it, they are too big. The other people often say to us why want specifications, let us supply our own brand, our standard paint is as good or better than your specifications.

Q In practice now then with regard to the relative values, how could the best brand of paint of one manufacturer be compared with the best brand of another manufacturer? A. In a great many instances I think it could.

Q. Let us take a practical instance, suppose you have a requisition for a quantity of paint and you send out to half a dozen different manufacturers to get their prices and you find one cheaper than the other, the cheapness may be due to a difference in the quality? A. Yes.

Q. Although he claims it is the best paint they produce, still the best paint produced by one concern may be better than the best produced by another concern, and how could you arrive at a decision as to the question of quality? A. Unfortunately we have in the past bought paints, and unfortunately we have bought other articles which do not lend themselves to the specifications or to a test of any particular kind for a comparison. I have bought cheap goods chiefly to remove the possibility of criticism which is always brought against a government purchasing branch when the lowest tender is not accepted and an ulterior motive may be attributed on account of having overlooked the lowest price. As a consequence of that we always take the lowest price in every individual case except when we know that the article cannot be supplied for the money, and that the man must either steal it or that the article cannot be of a certain quality if supplied at that price, and when we are absolutely certain as to that we eliminate the lowest price. But, in 99 cases of 100 the lowest price is always accepted. It is for that reason with regard to paints, that we have tried to eliminate the jobbers and dealers and go right to the manufacturer.

Q. We really get down to this, that you deal as far as you can with a certain number of suitable manufacturers? A. We do.

Q. You ask for their number 1 material, the best they manufacture, and you take the cheapest and you are not able under present circumstances to compare the values by any scientific or exact test? A. No.

Q. Your chief work is to follow out the idea of getting the lowest price? A. Yes, and I would spend a lot of my time trying to explain why we did not take the

lowest price, and a comparison between the different qualities is very hard to get at in some cases.

Q. The comparison between the qualities furnished by the manufacturer and another is I suppose, very hard to get at? A. Yes, and if you take the Canada Paint Company, Sherwin-Williams, Martins-Senour, Bradner-Henderson and Moore & Sons in Toronto, they are all reputable paint manufacturers, whose paints enjoy a good reputation in the market, and I may state that when I ask a firm of that character to quote prices for their pure paint which are supposed to be the best paints they make, they will quote prices on those brands.

By Mr. Lake:

Q. Would it not be possible in making your contracts for paints that you should include paints of all other varieties for the different establishments under your department? A. That could be done if the specification was made covering all colours. But in Sorel they use a variety of paints and in that case we buy the pigments. We buy the pigments, the oil, the lead the ingredients generally. I should mention that lead should be kept a year before it is used. It improves with age, and we keep a large stock of it at Sorel. There is a great deal of difficulty in getting properly matured lead from paint manufacturers. The consequence is that we have found we have to do a certain amount of mixing at Sorel and to ensure ourselves we keep a large stock of white lead in Sorel. We are now buying white lead which probably only will be used next year.

Q. Now, in dealing with white lead of which you buy such a large quantity, and which amounts to a considerable sum, what do you do? A. That is sold under government certificate that it is pure and it has to be pure.

Q. You have a regular government certificate as to that? A. Oh yes, they are obliged by law to give a certificate.

Q. Having bought in that way what precautions do you take to see that you get the articles that you bought? A. You are speaking now about paints?

Q. Yes. A. The paints are labelled in the factory under the direction of the inspector as I understand.

Q. I am speaking now about Sorel? A. The only thing about Sorel is that the paints which have to go to Sorel are of course used there and if there is any paint which is inferior or unsatisfactory, why they report the matter immediately. I do not know whether I have the paint file here or not, I think I have, but I may say there was a case the other day where the paint was unsatisfactory; that is a case in point. I got a letter from the director at Sorel saying: "Referring to your request for a report as to the quality of the paint used when ship was in dock last year" this was a report of some ordinary white paint that we got from Sherwin-Williams that they maintained was as good as our special paint and we tested it by painting the *Lady Grey* on the port bow side with one paint and the port stern side with this other paint, and we reversed the conditions on the other side, and let it try out for a year, then, this report on the matter was referred to me, the report continues: "I regret to say it is difficult to furnish a complete report. I am of the opinion that the Sherwin-Williams paint is the most durable for all weathers and waters and consequently it is to be preferred for our work." Then, here is another letter in connection with this matter written by Mr. Papineau to me complaining of the quality of some paints that were tried. He says: "I am advised, with respect to the last supply of golden ochre, pure quality, 500 lbs., P.D. Dods & Co., at 3½ cents, that the covering quality of the paint is very poor." That was a case of buying cheap. I wrote to P. D. Dods stating that the paint was poor quality, stating if they would refer to my inquiry that the paint supplied on the specification was to be of pure quality. I told them that an inferior paint had been supplied, due no doubt to a misunderstanding as I was satisfied they did not want to supply inferior paint. I

told them that I had written to the government director of shipyards at Sorel to return the paint saying the department could not accept inferior paint and requesting that they would make arrangements to replace it with good quality golden ochre as promptly as possible. I had a letter from P. D. Dods & Co. stating that the golden ochre would be taken back, but unfortunately it was used before it could be returned.

By Mr. Ducharme:

Q. What is the date of that letter? A. March 15, 1912.

By the Chairman:

Q. The paint was used and not returned? A. It had been used. We paid 3½c per pound for that paint and we could not expect anything else. I found afterwards you could not get good golden ochre for any such price as 3½ cents.

Q. And they agreed to give good golden ochre for 3½ cents? A. Well they consented to take it back. I have here an inquiry on the 4th of January, 1912, which states that the paint supplied in this requisition must be of the best quality in the respective lines, the oil pure and the turpentine pure, and if the shipment is not satisfactory it will not be accepted.

Q. Tell us the effect of that? A. They quoted a price of 3½ cents on that.

Q. They agreed to supply you afterwards with good paint and to take back the other? A. Yes.

Q. That shows they recognized that the paint was of poor quality and that they ought not to have supplied you with it? A. It was poor.

Q. And inasmuch as the poor paint was not taken back they should have refunded you something? A. The article was used before it was returned and there is no doubt it was worth what we paid for it but it was at too low a price to be pure.

Q. That was their own fault. If they made a mistake in the first place they either should have corrected it by giving you a certain quantity of good paint or they should have refunded you? A. They were quite willing to take the article back and to pay the freight, but unfortunately it had been used up.

Q. The net result is that they were paid for an inferior quality of paint? A. Yes, but not at the price of good paint.

Q. They were paid at the price they agreed to take for good paint? A. You cannot get good ochre for 3½ cents a pound.

Q. Did they agree to give you good paint for 3½ cents a pound? A. Yes, because that is what we asked for.

Q. Then they agreed to undergo a loss if they could not sell it at that price and they escaped a loss by selling poor material? A. Let me see what they say in their letter about that, no doubt they referred to it. They say: "We duly received your favour of recent date with regard to 500 lbs. of golden ochre furnished your department and which has not been found up to the standard required by the department. Our Mr. Dods has explained to you no doubt that we have golden ochre of a higher grade and we have to quote 6 cents a pound for it delivered at Sorel; we will be glad to exchange the goods if you consider it necessary."

Q. Where is the original order? A. The original order would not be here; the orders do not go on file.

By Mr. Lake:

Q. Do I understand they agreed to supply you with good golden ochre at 3½ cents, but they said they would supply you with better at 6 cents? A. That is what they state. That is just an incident in a business house of this kind; we have matters like that cropping up, not every day but frequently. Referring to the statement they say golden ochre but they do not say pure. We asked them for the best quality; it is a well known fact that paint not marked pure paint is not pure.

By the Chairman:

Q. They knew that you required the best quality paint and they did not quote the price for the best quality? A. There is no doubt about that. The specification says: "The paint supplied by you must be the best quality in their respective lines."

Q. On the 14th of January, 1912, a requisition goes out for, amongst other things, prices on 500 lbs. of golden ochre paint. There is a note at the bottom of that the requisition which says: "The paint supplied on this requisition must be the best quality in their respective lines." In reply to that P. D. Dods & Co. quote golden ochre in oil at 3½ cents, and later on it turns out that it is not the best quality? A. You could not get the best quality at that price.

Q. But that does not make any difference, they quoted it at that price? A. They did.

Q. On the 8th of March 1912 you wrote to Dods & Co. that the golden ochre supplied in their order 772 is very poor quality and of little or no use in the department? A. Yes.

Q. On March 15th they replied acknowledging the receipt of your letter and stating: "We understand our Mr. Dods has explained to you that we have golden ochre of higher grade and we beg to quote our pure golden ochre at 6 cents per pound delivered or freight prepaid to Sorel." And then they go on to say: "We shall be glad to know what your wishes are in the matter and to change the goods if you consider it to be necessary;" you do not know whether that meant that they were going to substitute their best quality at the same price or whether they were going to supply it at a different price? A. I would take it that they were going to supply it at a different price.

Q. And when you made the inquiry the poor stuff has been used up? A. Yes.

Q. And when you sent out your requisition you intended as the note at the bottom testifies to have the best that was made? A. That was the intention.

Q. That was what you asked for? A. Yes.

Q. And when you got 3½ cents a pound quoted you understood it was a quotation for the best? A. To be perfectly frank with you—when all these tenders come in, a tabulated statement is made showing the lowest prices for each person, then they are brought over to me and the prices are marked in red and I initial them and that means that the order must be placed with the person quoting the lowest price. I have no recollection of having seen that price of golden ochre at 3½ cents and if I had I do not think I would have known whether that price was quoted for their best grade or their medium grade, at the time. I have since found out it is impossible to get pure ochre for 3½ cents a pound.

Q. If you had seen the price of 3½ cents and if you had known that was an impossible price for the best material you would not have accepted that price? A. I would not.

Q. You would still stick to requiring the best material? A. I would if I knew it.

Q. And consequently you are not conscious of having noticed it at all and they got the order because it was not noticed that the price was too low? A. They got the order because they were evidently the lowest price on the article.

Q. And because you had not noticed the price was too low for good material? A. I do not think I had any knowledge on the subject as to whether good ochre could be purchased at that price at the time, but I found out since this matter came up that it cannot be sold at that price.

Q. Your effort is to get the best, and if you had known this was not the best you would not take it? A. Well, not the best, but good in quality. In the matter of fact in the case of paints we do try to get the best quality because I consider it is economy to buy only the best quality.

Q. That points to a difficulty which seems to me to occur in buying paints for Sorel and places of that kind—in that case evidently that paint was not examined or tested when it came in? A. In Sorel no.

Q. And consequently you had not the slightest intimation it was bad until it was used up? A. Yes.

Q. And that may happen with regard to any material? A. It might happen, but it is more likely to happen in connection with materials like paints and oils where the defect is not visible to the eye.

Q. We will take the two cases that you have already referred to this morning, one is maintenance paint and the other is chain inspection, when such articles go to Sorel— we are dealing with that place only now—what precautions are taken to make it certain that you get the goods that you really intended to buy? A. Well, there are standing instructions to all our agents to report any material which may be supplied which is not in every way satisfactory and these reports we get quite frequently. I had a report yesterday from the agent at Halifax to the effect that some mooring shackles and pins were not satisfactory.

Q. That is all right when you do get a report but what about those dozen and one things where you do not get a report? A. Well, for instance, take the case of purchasing oils, all our oils are bought on specification. We have a three years contract which is on the eve of expiring now. We take periodically, every three months or six months samples of the oil supplied and they are sent to the Canadian Inspection Bureau and an analysis made of the oil and a report sent to us. Then, all our maintenance paints are bought on specification and the Commissioner of Lights takes all reasonable precautions to see that they get what they are supposed to get. In connection with a place like Sorel we are absolutely dependent upon them there to inform us if anything is unsatisfactory. We are absolutely in their hands in that respect. If they do not advise us that the articles are poor in quality or unsatisfactory for their purposes we will not know. But, in Government work I have found out that our agents are never backward in coming forward in complaining about the quality.

Q. Generalities are a general thing and it is better that you should not be too general—you having sent out an order for the goods, what steps do you take to inform the place for which the goods are intended as to the quality of the goods which you have paid for or agreed to pay for? A. The goods are never paid for until they have been received, checked and passed upon by the local storekeeper.

Q. But what has the local storekeeper got to show him what you intended to buy? A. He has an exact copy of our order, a duplicate in every respect, and on which the price and quality is marked.

Q. Do you send that to him when you send out the order? A. Absolutely the same day, it shows the terms of payment, the terms of shipment, who the order is placed with, the price paid, and all information.

Q. How does he know as to the particular quality of the goods? A. It depends on the nature of the goods you are buying; you take dry goods, we buy flannelette, flannel, cotton, chamois skins, bunches of articles of that kind. If we buy to sample the samples are forwarded to the agents at the time the orders are placed in order that they may be kept on file, in order that they may be compared with the goods when received.

Q. What do you mean by the agent? A. The local man at Quebec or Halifax, as the case may be.

Q. Or Sorel? A. No, it would be the same thing there, but we do not buy any dry goods for Sorel, they have nothing to do with the lights.

Q. You send specimens as far as possible? A. Yes, for instance, we buy brooms and we receive a sample of the broom and saw the handle off and send the broom to Sorel, or if we buy paint brushes we send a sample to Sorel; in the case of everything

we buy in that way a sample is always sent to the place where the goods are delivered.

Q. With reference to Sorel particularly, does not that system largely depend upon the faithfulness of the agent at the receiving place in examining the goods? A. Oh, yes, it depends on the storekeeper undoubtedly.

Q. Does your department maintain any very close supervision over the various storekeepers to see that they are active and up to their work and attentive to questions of that kind? A. I do not know of any general supervision, or rather I should say of any particular supervision.

Q. What has struck me—and I am asking you for your opinion as we go along—is that one of those weaknesses which appears to me is lack of intimate touch by frequent inspection between the department and its various branches outside. What you say may be true with regard to some agencies, but so far as I can judge from what we have seen and heard about Sorel, Sorel has been treated almost as though it were cut off and cast away? A. I am quite prepared to admit that there may be grounds for such an impression.

Q. If the department had said to itself: We are creating Sorel shipyard for political purposes and we do not expect it to do anything and we do not care a hang if it does anything or not, we will put a director down there and we will leave him alone; if that has been the policy I can understand what has been done at Sorel? A. Of course, I may state in explanation that Sorel did all its own purchasing up to the November of the year I was appointed, namely, 1908. They did their own purchasing there irrespective of the department and they were separate entirely. They bought what they liked and where they liked.

Q. Have you prepared the results in any way in Sorel in the matter of prices since you have gone into office or since the change has been made and before that? A. In a general way I have.

Q. What has been the result in your opinion? A. The result has been that we have bought at lower prices.

Q. Considerably lower? A. I cannot say considerably lower. While Mr. Desbarats was there the purchasing was done very intelligently, and especially so considering that he did it himself in addition to supervising the work of the shipyard.

Q. He was an efficient man? A. He was.

Q. Mr. Papineau was in his present office some time before you got into your present office? A. Yes, I think Mr. Desbarats was up in Ottawa when I was appointed.

Q. Mr. Desbarats had gone out in the meantime? A. Yes.

Q. Have you taken any trouble to compare the prices you pay with the prices paid by Mr. Papineau before you took the purchasing over? A. I do not think so. The only thing I remember about that was that at the time of the Cassels investigation there was a list of prices submitted as to the Sorel shipyard comparing with what they were paying as compared with the balance of the department. I have that list somewhere. I kept that list before me for some time, and I noticed that we were buying to better advantage. Of course, we were buying larger and probably we were getting the advantage of that. In fact, we were not doing anything else but the buying and we were probably in a position to buy to better advantage.

Q. Taking into consideration not what does happen but what might happen, the storekeeper at Sorel might in collusion with the firm or person supplying make all your precautions in purchasing absolutely useless? A. Absolutely.

Q. Because he has to check the quantity and quality? A. Yes, and to report on them.

Q. And consequently if he were effective in his work and acting in close touch and harmony with you, that would be a good system, but if a check was not kept on him and if harmony did not exist between you it might be a very bad system? A. Yes, if the storekeeper was dishonest.

Q. Or negligent? A. Or negligent. There is no doubt about it that a dishonest merchant or firm who wanted to rob the department could send fewer goods than were purchased or goods of inferior quality than those called for in the notice, and if the storekeeper certified that he had received the full quantity and that the goods were of the quality demanded, when they were not, then our purchasing departmnet would be gone, lock, stock and barrel, hook, line and sinker.

Q. You will admit that for the purpose of completing the system which you are carrying out it is necessary that the local representative should certify accurately as to the quantity and the quality of the goods received? A. There is no doubt about that at all.

Q. And, would you suggest that it ought not be left in the hands of one local man alone to do that, but that there should be some supervision over him? A. The intention, I think, is in the appointment of Mr. Tremaine to do exactly the very thing you suggest for the future.

Q. I am talking about the existing system and the need for closer inspection and closer touch with the department here? A. That closer inspection and closer touch with the department will be provided in the future by Mr. Tremaine. He has been appointed inspector of agencies. Frequently things come up which would involve the necessity of my going to Quebec, or one of my clerks going to Quebec, and unfortunately we have not the time to spare. I have been trying to get to Quebec for the last three weeks and I have not been able to get there yet. We have had no person in the department whom we could send out and do work of that kind because we have all the work we can do here at the present time and we could not spare a man from the work at Ottawa. Mr. Tremaine, I understand, will do nothing else but visiting these agencies and examining the manner in which the stock is kept up, and the entries in the books, and checking it. He will be a real inspector of agencies, and if he performs the duties he should perform there is no reason why the service in that respect should not be kept in a high state of efficiency. As it has been up to the present, there is no doubt about it there has been that lack of supervision which probably results—I do not say results but offers opportunity for a certain amount of——

Q. Dishonesty? A. I would not say dishonesty—perhaps I should say lack of attention to the work.

By Mr. Lake:

Q. Regarding that shortness in the quantity of the paint supplied, was it on only one occasion or did it occur on more than one occasion? A. This was on one occasion and it was rather surprising to me. I drew the attention of all the manufacturers to the condition under which they were supplying the paint to us and they all stated that there was no intention of robbing the public. But, if the condition exists which we found to exist with regard to the supply to us in that case, there is no doubt about it the public are paying for paint which they do not receive. In the ordinary gallon tin it does not contain an Imperial gallon, at least the tins that were supplied to us did not.

By the Chairman:

Q. That no doubt where a difference arose between the common gallon and the Imperial gallon? A. I do not know as to what they call the common gallon, but we buy everything by the Imperial gallon, and we were not supplied with it on that occasion.

Q. They may be made up in what are called gallon measures and which does not contain an Imperial gallon? A. There is of course the wine gallon which is one-fifth less than the Imperial gallon.

By Mr. Ducharme:

Q. When you send out this requisition to the different manufacturers, the quantity required by you is marked on it? A. The quantity asked for is always marked on it.

Q. Who are these requisition forms sent to? A. The original come to me, the duplicate and triplicate are kept in Sorel.

Q. Now, suppose the firm which gets the contract cannot supply you with the quantity asked for in the requisition, what happens? A. I do not know that I understand your question. Do you mean, if for example, we placed an order with a firm for a gross of paint brushes and they can only supply ten dozen instead of twelve dozen?

Q. Yes. A. They would invoice us for ten dozen and advise us there was a shortage on their part for that particular style of brush.

Q. Who would they advise as to that? A. They would probably advise me that they were shipping ten dozen in place of one gross and the invoice would go down for ten dozen. It is not an uncommon occurrence by any means to find that stuff is short shipped and that is immediately brought to our attention and to the attention of the shipper and it is made good.

Q. You would send a copy of the order to Sorel? A. Yes, a copy of the order goes to the man who receives the goods.

Q. What about the notification when you receive information that the order cannot be supplied? A. We would immediately notify the agent to say that the firm supplying, for example brushes, were shipping ten dozen instead of twelve dozen.

Q. And a copy of the invoice would go to the agent showing the shortage? A. Oh yes, but we might ask them at Sorel: Do you want the other two dozen? And perhaps their answer would be that ten dozen would be sufficient and if they say ten dozen is plenty we cancel the order for the other two dozen. The party who receives a copy of the order also receives the invoice and he must certify that the goods have been received and that the quality is satisfactory before we pay.

Q. Is it possible that the delivery of the goods could be made before the receiver of the copy of the order is made aware that the order will not be filled in full?

The CHAIRMAN.—Suppose that did happen what difference would it make?

Mr. DUCHARME.—He might make a return that the goods were received.

The CHAIRMAN.—He makes his return on the face of the invoice.

Mr. DUCHARME.—I do not think so.

The CHAIRMAN.—Oh yes, he has to certify on the face of the invoice. The certificate must be on the invoice proper. It is not filled in on any regular form or anything like that; it must be on the face of the invoice.

By Mr. Ducharme:

Q. You say you keep a store ledger? A. Yes.

Q. These store ledgers have different columns? A. Yes, to show inward entries and outward entries and the difference between the two of course would represent the stock on hand.

Q. These books are kept at the different agencies? A. They are kept by the storekeeper or his clerk in each place.

Q. Do you keep a record of them in the department? A. No.

Q. What kind of paint do you use on the vessel under water? A. In Sorel we use red lead.

Q. You don't use any of this bitumetic paint? A. No. There are a number of paints with a metallic basis. We do use a little Esto paint, but on our ships we use what is called Iron Duke. It is recognized as a good preservative paint, but we also

use the Esto which is cheaper. The Iron Duke sells for $1.65 and Esto sells for $1.59; in Sorel for under water work we use red lead.

Q. Did you ever try Pritchard's Blue? A. Yes. Pritchard's Blue is the basis of Iron Duke paint; it is a splendid preservative. Iron Duke is a copyright brand and it is only made I think by Martin-Senour who are the agents for Pritchard's Blue.

By Mr. Lake:

Q. I want to get a better idea in my mind of the way in which tenders are called for; do you call for tenders for the supply of a certain list of articles for the whole year? A. No, we do not.

Q. In every case you do set down in advance the quantity of paint that is likely to be used during the coming year and call for supplies for that? A. No.

Q. How do you make up your mind as to what quantity and as to the nature of the particular articles you are going to call for tenders for? A. This is just the idea we have in mind; as I stated before, on account of the Government carrying no insurance it is not our policy to buy a year's supply and carry it in stock. It has been my experience that it is not policy to buy as the Public Works Deparment buy or as other departments buy where they call for tenders for the year's supply, to be taken as required and on that order and in that kind of tender they require a merchant to quote prices. If there is a tendency in the market to rise, the contractor tries to get the purchaser to take deliveries for some reason or the other. I have found that you can buy to much better advantage by buying for your requirements at the time being. When I say that of course I mean buying a supply for the next three or four months. We do all our heavy buying in the spring, our line of supplies for our boats make it necessary at the time and in the fall our orders will be very much less than they are now; we will have enough paint and some other articles to carry through the winter.

Q. And you are satisfied that you can buy better by this system than the system which prevails in the Public Works Department? A. That is my contention.

Q. When you call for tenders I suppose you call for several different articles? A. Yes, sir.

Q. Do you call on each requisition for a special article or do you lump together a lot of requisitions and call for quantities? A. We might say to-day as the requisitions come in, of course we have two requisitions come in together, one from Halifax, one from St. John we will say, we would lump them together.

Q. You would say we have requisitions for such a thing to be delivered at such and such a place on a certain date and you would ask the firm what they would supply that quantity for? A. Yes.

Q. You wait for a requisition to come in and you call for tenders for the goods called for on the requisition? A. Yes.

Q. And that requisition may cover a variety of articles? A. Yes.

Q. And one contractor will tender for a lower price for one of these articles than another contractor will? A. I may say that we ask all our agencies to put dry goods and hardware on the same requisition. For instance, a requisition would contain a demand for certain hardware and other kinds of hardware and it would not call for dry goods.

Q. In the case of hardware, of course there are different kinds of hardware and one merchant may say in his price that he would supply such and such a kind of hardware at a cheaper rate than another would while the other would tender for other kinds of hardware? A. Oh certainly they do that.

Q. What would you do then: do you divide up the contract? A. Undoubtedly.

Q. And the man who has quoted lowest on shelf hardware gets that part of the order? A. Yes, but if his order is lowest on hammers he gets the order for hammers and if his price is higher for axes he does not get the axes.

By the Chairman:

Q. Do you find that some of them say: We quoted the lowest price on that particular article because we expected to get the whole order? A. Frequently. We had one case in Halifax yesterday where a man stated prices on chains and shackles and he only got the shackles and he refused to accept the order. He said he quoted on the assumption that he was to get the whole order and he would not take the small part of it. The difficulty we have with tenderers is that if we do not accept the lowest tender some man will write in, and complain to the Minister that he was low, on the shackles for example, and he will ask what price was paid for shackles and if he finds it is higher than his he will complain that he was not getting the business. The shackles might be a very small part of the tender but there is no use trying to explain to him why he did not get it his price being the lowest.

Q. You give out your orders on unit prices and not the bulk prices? A. We never take the bulk prices except in some cases. For instance, it is my intention to introduce it in connection with chains, shackles and so on to say that the lowest price bulk sum price will be accepted and he will make that a condition. There is not a chain made in this country and invariably the quotations are obtained by cable and under these circumstances it is not fair to the merchant to give him part of the order for shackles which would amount to only $25 when the order for chains would amount to $1,000.

Q. With regard to the lighthouse supplies you do not wait for requisitions from the lighthouses, you buy most of your supplies in large quantities and send them to your agencies, don't you? A. No. The principle upon which the requisition in the case of lighthouses is made is this: When the inspector makes his call of inspection he takes an inventory of what they have on hand and makes out a statement of what will be required for that station, oil, lamps, &c. These requisitions are all sent to the Commissioner of Lights. They are bulked together. Then, I get a requisition from the Commissioner of Lights for so many hundred galvanized iron scuppers, so many thousand pounds of soap, so many dozen of towels and so forth, and these are purchased to be shipped to the different agencies. There these goods are put into stock and when the steamer goes out the material is put on board and a regular invoice made out to each station. The stuff is packed into boxes and the light keeper signs the receipt that he got the goods.

Q. You supply the agencies and the agencies supply in turn to the light house stations? A. The agencies act as distributors to the stations.

Q. And in buying you pay for delivery to the several agencies? A. In nine cases out of ten we do; we sometimes pay for delivery to different places but invariably it is to the stations.

Q. And in buying for the agencies in that way do you try as far as possible to buy in the province where the agency is located? A. Yes, we do. If the supply is for the Halifax agency we confine our inquiries to Halifax so far as we can do so, but sometimes in connection with some lines we have to go outside. The same thing applies to the other provinces. In Quebec we endeavour to buy there. We buy in the localities from the merchants there provided we can get reasonable prices and a good article. If we cannot get good prices and a good article we go outside. The policy of the department is—it was the policy of the late government and it is the policy of the present government—to buy as far as possible in the province for which the goods are to be purchased.

By Mr. Lake:

Q. In the case of the oils and paints, do you buy them on a requisition for a year's supply? A. Well, yes, for the spring supply for the paint houses we buy our paint from year to year, or may be for two years. These lighthouses have to be kept nice and clean and neat and they paint them more frequently than is perhaps required, but it is the custom to do so.

Q. Don't you think that when you are requiring a certain quality of paint the greater amount you can buy at one time the more likely you are to get a better price? A. For the lighthouses the paint is bought once a year. It is what we call maintenance paint and is used on the sheds and dwellings and in the houses of the lighthouse keepers.

Q. And I suppose you would have trouble if you did not accept the lowest tender on any particular article? A. Yes.

Q. It would appear to me that if you do send to a limited number of firms selected by yourself that you are bound to accept the lowest tender in every case? A. I follow that practice. I have never accepted any price except the lowest unless I have gone to the Deputy Minister and to the Minister himself invariably and explained the matter to him why I did not accept the lowest tender and showed that it would not be in the interest of the public to do so.

Q. You said you satisfied yourself as far as you could as to the consumption of a particular article and also as to the amount of that article on hand before you authorized an order? A. Yes.

Q. When I was at Sorel the other day I noticed a number of sets of new harness hanging up; how would you satisfy yourself as to the necessity for a requisition for new harness? A. We buy harness once a year for Sorel; I do not know how many horses they have there now, I think 8 or 10.

Q. 11? A. We buy harness once a year for Sorel and we generally buy half a dozen collars and things of that kind, but I would be rather surprised if there are many new sets of harness down there.

Mr. LAKE.—There are certainly a number of new sets of harness hanging up and they also have a man there all the time repairing the harness.

By the Chairman:

Q. I suppose in a case of that kind you have to accept the requisition and you do not know yourself personally whether the thing is worn out or not? A. If a man comes to me and tells me that he has to have such a thing and I consider it is a large order I say that is a very large order and I do not know what you are going to use it all for. But, I must proceed on the assumption that it is needed when an officer asks me for it. A man may ask for more than he wants, or he may waste what he has on hand, but I am bound when I get a requisition as the responsible officer of the department to accept his statement on that, and I have to go on the assumption that all the preliminary checking has been done and that the article is required.

Q. And if a dispute arises between you and the head of some branch as to whether things are necessary or not, you have to submit, I suppose? A. Oh, no, it frequently happens that I do not buy. I have cut down requisition after requisition and it is a matter that frequently occurs. If I refuse to buy an article then it is for the party who makes the request to see the deputy about it and I can make my explanation to the department. But, I have frequently refused to buy things and they have never gone to the deputy yet.

Q. Will you explain what the present practice is with regard to designs for construction at Sorel? A. Up to the present the Sorel shipyard have been building dredges on designs submitted by Mr. John Kennedy, of Montreal. They have also I think, a Mr. Robinson who designed some dredges for the government.

Q. Who is he? A. He is a mechanical engineer, he is a dredge expert. I do not know of any person else who has sent in designs. At the present time Mr. Duguid, our naval architect at Ottawa, has completed designs upon which we have called for public tender.

Q. Designs for the Sorel shipyard? A. They are intended for the St. Lawrence ship channel, but I think intended to be built in Sorel.

By Mr. Lake:

Q. The engineering staff at Ottawa makes no designs for the Sorel shipyard at all? A. No.

Q. And any designs that have to be made for there and which are not supplied by engineers at Montreal or who are otherwise employed for that special purpose, are made by the designing staff in the Sorel shipyard itself? A. Yes, for instance, in getting out a public tender for scows &c., they are got out there.

Q. Everything except special designs for a dredge would all be got out down there by the designing staff? A. I think so. They got these designs from Mr. Kennedy and I think they were paying him so much percentage on the cost.

Q. These are special designs for a particular class of work? A. Yes, sir.

Q. But the ordinary routine designing work and designing of that sort would be done at the Sorel shipyard? A. Yes.

By Mr. Ducharme:

Q. Have you naval designers here in the department? A. Yes.

Q. As to the system of giving orders from day to day, don't you think that that system is objectionable on account of the delay in the delivery of the goods? A. In what way?

Q. Because by the time you get a requisition and then send out letters and wait for answers, and then give an order, the delivery of the goods would be delayed? A. I know, but it must be borne in mind that with reference to the goods asked for, they are not completely out of stock. We carry ample stock at our agencies, and it is merely replacing the stock.

Q. In the case of paint, they will have stock of all these paints they are asking for? A. The requisition is to replace them. In any event you would be surprised at how quickly the goods are delivered. I know that it does not take more than five or six days in most cases from the time the requisition is received until the goods are delivered. I may state that in buying for every day's requirements instead of purchasing a year's supplies there is a distinct advantage in purchasing as we do. It is more trouble if you will, but in my opinion there is a distinct advantage in it at all events so far as my department is concerned.

Witness retired.

ALEXANDER BOYLE, Chief Accountant of the Marine and Fisheries Department, sworn.

Examined by the Chairman:

Q. We were making some inquiries about the Sorel shipyard matters, and I wanted to get some information from you about the stock-books and things of that sort; have you been at Sorel lately? A. The last time I was at Sorel was on the 24th of June last year, 1911.

Q. What were you there for? A. I was there to see how things were going in connection with some work.

Q. Is the accountant at the Sorel shipyard responsible to you as chief accountant of the department? A. Well no, he is responsible to the director of the shipyard.

Q. Then, of course, the director of the shipyard reports to the Deputy Minister up here? A. Yes, sir.

Q. Does the accountant down there send all his accounts in to the director of the shipyard? A. Yes.

Q. As a rule, the accounts down at Sorel are only sent in annually? A. Do you mean for purchases?

Q. We will take the accounts for purchases, they are signed by the director and they come in in the regular way with the usual certificates? A. Yes.

Q. And then they go to the purchasing agent to be certified? A. Yes.

Q. Do you have anything at all to do with their annual statements? A. I may say that there is a ship's channel fleet, that is the dredging fleet, and a great amount of the work is done, in fact nearly all the work is done, in Sorel, and there are two votes. It goes to Sorel and then they send the transfer monthly transferring; for instance we have a construction account. We have Dominion steamers, and any Dominion steamers that go into Sorel to be repaired are repaired and paid out of their money. Then they send up a transfer monthly, crediting their vote and charging to Dominion steamers.

Q. And you make a similar transfer on your books here? A. Yes, sir, over to the Audit Office.

Q. Their annual account, which they send up for their report at the end of the year, is not audited by you in any way? A. No, sir.

Q. Then with regard to their stock-books and the like of that, have you any authority over these? A. Not now.

Q. Did you have at one time? A. Indirectly, yes.

Q. In what way? A. For part of the time, up to 1909, I was inspector of agencies

Q. Who occupies that position now? A. Mr. Tremaine.

Q. Has that been a vacant office since your promotion to the position of chief accountant? A. Well, it is not since my promotion. I was chief accountant, but I acted as inspector of agencies.

Q. Then there was a separation of the offices? A. There was a separation.

Q. Did that separation take place in 1909? A. No, sir, the separation took place, roughly, about November or December of last year.

Q. The actual work of inspection of agencies under you was not, I suppose, pushed very much; you were not able to inspect very much? A. Well, so far as the other agencies are concerned, yes sir.

Q. But not at Sorel? A. No, sir.

Q. That was treated as a thing by itself? A. Yes.

Q. But, nominally, it did come under you? A. No, sir, Sorel is not an agency.

Q. And Sorel, not being treated as an agency, did you inspect it at all? A. No, sir

Q. Is there any inspector in the department under whom that would come? A. I cannot say whether Mr. Tremaine would inspect Sorel or not.

Q. Previously to his appointment, unless it has been changed, there was no direct inspection of Sorel from your department? A. No, sir.

Q. And Sorel's only connection with the department, except in a casual way, would seem to be through the deputy minister? A. Would you repeat the question please?

Q. The only connection of the Department with Sorel would appear to be through the deputy minister and the director at Sorel? A. I would understand so.

Q. You were at Sorel in 1909, have you been there since? A. I was there in 1911.

Q. What purpose were you there for? A. There had been complaints about Sorel and I went down to see how they managed the stock-book in a general way.

Q. How long were you there? A. I was there, roughly, off and on for a month or six weeks.

Q. With reference to the stock-book, did you find when you got there that they had a stock-book? A. Yes.

Q. They had a system of accounts which was in force at the time you got there and had been for some little time previously? A. Yes.

Q. Who was the accountant? A. Mr. Barry.

Q. He has since been dismissed? A. Yes.

Q. Was Mr. Barry there, as accountant, during the Lanctot business? A. Yes.

Q. When you looked over that stock-book, you found, of course, the usual stock-book, the entries in and the entries out, and so on, did you check it at all? A. I checked it this way: I took various articles, of course I could not go through the whole stock, but I took various articles to see how they worked out, and I found a few discrepancies. That is, perhaps I found one thing or another short, but as a general rule I found it correct.

Q. Did you take an actual physical inventory of anything to see if they agreed with the stock-book? A. I checked a few things.

Q. Just a few articles? A. Yes, sir.

By Mr. Lake:

Q. Did you collect these articles yourself for checking? A. Yes. For instance, I would see how many brooms there were in the store and I would count them, and then I would go to the stock book to see how they tallied.

By Mr. Ducharme:

Q. In these in which you found a few discrepancies, you would find one short between the book and the requisition? A. It was between the book and the articles that the shortness was.

By the Chairman:

Q. I suppose, from the very nature of things, being there alone as you were, you could not do that checking very extensively? A. No, sir.

Q. It was only with regard to the minor articles that could be handled without much trouble that you considered that? A. Yes, sir.

Q. You did not institute with the assistance of the staff down there any general investigation? A. No, sir.

By Mr. Lake:

Q. Did you suggest it to them? A. No, I took various things; I took several things that I thought might be hidden away.

By the Chairman:

Q. I suppose you were there for the purpose of getting the general drift of the establishment and to see whether it was satisfactory to you? A. Yes, in a general way.

Q. You didn't make a report about it when you came back? A. I wrote several letters while I was down there.

Q. Addressed to the deputy minister, I presume? A. No, addressed to the director of the shipyard and I reported personally to the minister.

Q. Verbally or in writing? A. Verbally.

Q. Have you copies of your letter to Mr. Papineau, when you were down there? A. I think they must be on the file in Sorel.

Q. They are not on the file in your office? A. No, they would be on the file down in Sorel.

Q. You kept no copies of your own letters? A. No, sir.

Q. With regard to the accounts of the shipyard itself and the way they are kept up, how many parliamentary votes are there out of which Sorel receives payment? A. Properly speaking, two.

Q. What is there for Sorel itself? A. In the estimates of 1911-12 there is: "Public Works, chargeable to capital, Marine Department, Vote No. 255, River St. Lawrence Ship Canal, $841,000.00." Then there is vote No. 256, to provide for the different branches of the dredging plant for the River St. Lawrence, from Montreal to Father Point, $727,000.

Q. And you say that Sorel is chiefly maintained out of these two votes? A. Yes.

Q. Can you explain how these votes are expended? A. Out of the first, $841,000 will be paid all the bills for casual repairs of dredging plant made at Sorel and paid for, in the first place, out of the Sorel vote and reinbursed to the Sorel shipyard by the ship channel vote. Out of the $841,000 there would also be paid all wages, fuel, supplies, and other maintenance charges for the ship channel. Out of the second vote of $727,000 is paid all bills incurred by Sorel, including all the cost of constructing dredging plant up to the time of its completion. Maintenance and repairs of dredging plant thereafter is carried by the ship channel vote.

Q. If at the Sorel shipyard any repairs are made upon the dredging plant of the ship channel, it would be reimbursed to the Sorel shipyard vote by the ship channel vote and that reimbursement is shown on your books in the department? A. Yes, by transfer.

Q. And such a transfer is made, I suppose, upon the accounts made up at the shipyard, certified by Mr. Forneret? A. Yes.

Q. And you do not make a transfer until he does certify it is correct? A. No, sir.

Q. In the past, the Sorel shipyard would sometimes do work for the Department of Public Works? A. Yes.

Q. And in that case, a transfer would be made in the same manner? A. Yes, sir.

Q. Upon a bill by the shipyard, certified by the proper officer and transferred from your department to the Department of Public Works? A. Yes, sir.

Q. In a case of that kind how does the Public Works Department come to an agreement with you, is it through the Minister of Finance? A. No, sometimes it is done by a transfer, and sometimes we ask for a cheque from the Public Works Department.

Q. When the Public Works does it by transfer where is the transfer made between you two? A. We first of all make a transfer here and send it to the Auditor-General, and he in turn credits our vote and debits the Public Works Department.

Q. And in the department they have to do the same thing? A. Yes, every transfer that is made beween us must go to the Auditor-General to keep his books right.

Q. Generally speaking, at the present time, are you not following up one system of transfer now, either by cheque or transfer in your department? A. I am trying to follow up the transfer system altogether.

Q. Instead of the cheque system? A. Yes, sir.

Q. Sorel is not doing much work for any other department at the present time, and had not been doing so lately. The Public Works Department is getting its repairs done there no longer? A. Not many, so far as I remember.

Q. And the result is that Sorel is practically being maintained by these two votes? A. Yes.

Q. You, as accountant, under present circumstances, do not attempt to exercise any inspection or jurisdiction over the Sorel expenditure? A. In what way?

Q. In any way, except that you make the transfer as a matter of course? A. I have no jurisdiction over that; they send in the transfer and it is certified and I transfer it.

Q. What I mean to say is this: the accountant at the Sorel shipyard is not recognized in any way as having any responsibility to you? A. No, sir.

Q. There is no official connection between you, as general accountant for the department and the accountant of the Sorel shipyard? A. No, sir. Even in the case of these agencies, I will not recognize the account there; I only recognize the agency. I deal with the agent; I do not deal with the accountant. That is the

general system. It is the same in the case of Sorel; I deal with the director of the shipyard.

Q. With regard to the agencies generally, you deal through the agents? A. Yes, sir.

Q. But up to the present time, the bookkeeping of the various agencies has been audited from your department? A. Yes, sir.

Q. Do you have regular travelling auditors who audit the books? A. I have done a good part of it myself and I have sent, at various times, men from my branch to audit and the Auditor-General every year sends some one out from his department to audit our agency books. Once a year the Auditor-General sends a man from his department in order to inspect one of our agencies.

Q. All your agencies? A. Not them all, one or more.

Q. It is a sort of a test? A. Yes.

Q. What does that man do? A. I have been with him. In the first place, he would go into the store and he would check the stock book in the manner that I have described in which I checked the Sorel stock-book. He does that. Then, in connection with the cash, he takes the cash. Then, in connection with the time charged he takes the time sheets promiscuously, and he has asked to see the foreman's reports on one special man and then he has asked me to see the time clock to see if that man was in and various things like that.

Q. He applies certain tests? A. Yes, sir.

Q. He would take their books and look over them and see if they were well kept; how long would that inspection last when you were there? A. Between three and four days.

By Mr. Ducharme:

Q. Just the one agency? A. For the one agency.

By the Chairman:

Q. One agency, once a year, for three or four days, is tested in that casual way.

Q. That is the best they can do under the circumstances, no doubt the whole value of that system consists in it being unexpected, I presume? A. Yes.

Q. And more effective in its fear than in its thoroughness? A. I suppose so.

By Mr. Ducharme:

Q. You do not keep any stock-books in the Marine Department of the goods on hand in your agencies? A. No, sir.

Q. All the stock-books of the agencies are kept in the agencies themselves? A. Yes, sir.

Q. Have you got many agencies? A. Seven or eight.

Q. It would not be such a great trouble to keep the stock books here? A. It would mean quite a lot of work.

Q. How many more men would it take to do it? A. Speaking roughly, I suppose three or four more men, that is leaving out Sorel.

Q. Would that not be a good check upon all these stores? A. Yes, sir.

By the Chairman:

Q. I suppose it would have one advantage, namely, that your department could tell at any time what was the value of any stores in any agency in Canada, and I suppose you could not tell that to-day without going to every agency? A. It would act as a check in many ways. The purchasing agent could tell all the material that was in an agency and if they ordered a certain amount of material and he thought they were wanting too much he could tell what they had in stock or what they should have in stock, and then we could tell the value of the material there as the requisition came up.

By the Chairman to Mr. Doutre:

Q. What does Mr. Doutre say as to the value of stock-books being kept in the department? A. The way it appears to me is that it would be nothing more or less than a duplicate of the work done at the agencies. In other words, the stock-book would be based entirely upon the returns made by the agencies. It would be, to a certain extent, an extract from their books, and if their books were wrong the books up here would be wrong. If there were discrepancies in the books at the agencies between the entries in the books and the actual stock in hand, there would be discrepancies up here. Mr. Boyle says it would take three or four extra men to do that work, but I think a book of that kind could be kept up here by one or two men at most, provided they had nothing else to do. I think it would be a good thing in this way—if an agent knew that there had to be a return made every month and that there was a man up here at Ottawa expecting it from him, no doubt the stock would be kept closer track of and the entries would be made more promptly. For instance Mr. Boyle has had occasion to go to some of the agencies and he has found that the requisition slip for the material going out had not been entered in the stock-book. Sometimes they would be days behind, due to the fact that some person was away or something of that kind, or perhaps due to indifference.

Q. And the keeping of a stock-book up here in the department would act as an automatic audit to some extent? A. It would.

Q. As to the value it would be to yourself, what have you to say as to that? A. It would be of considerable value to me.

Q. Instead of having to wait for correspondence about stock on hand at the different agencies, you could see it for yourself at a glance? A. And not only in respect to having to wait for correspondence but it would be a check because by referring to that book, if the reports were right and the stock properly checked, I could tell at any time exactly what they had in stock at the end of the previous month. Of course, it would also mean considerable more work on the part of the storekeeper at the agency.

Q. I think that most of them are not overworked, from what I have heard? A. Perhaps not.

Q. On the whole, I suppose you think it would be a good thing for you? A. At the same time, there is ample staff at most of the agencies to look after that work. You take the stock at a place like Sorel, where we have a stock of from $80,000 to $125,000 and that would require some looking after.

By Mr. Lake:

Q. The local storekeeper only gives his stores on a requisition signed by the person who wants to use them? A. And initialled by the director or the agent, as the case may be.

Q. All that would be required of him to do would be to make a copy of that requisition and to send it to you? A. It might work out in that way.

By the Chairman:

Q. He would simply take out of the proper column in the book the entry as to the number of pounds or yards or whatever it may be that has been taken out during the period, and he would send a statement of that once a fortnight? A. I may say that if they are to send the copies of the requisition up here, we would have great difficulty in getting the books to tally. Some would be lost in the mails and some might not be sent. They should send in a regular statement once a month but that statement would mean sending out a statement almost the size of a stock-book. That is the difficulty I foresee.

Q. There would not be much difficulty if you had your regular printed forms? A. We would have to have printed forms for that, it would facilitate it if we had printed forms for all these.

Q. It would be of great value in making the local storekeeper attentive; he would be keeping himself up-to-date then? A. It would.

Mr. BOYLE.—The idea is to have a printed form showing the minimum and the maximum in the general stock.

Mr. DOUTRE.—That would only apply to one agency, because the minimum and maximum varies in each agency, but no doubt it could easily be arranged for.

Mr. BOYLE.—That could be done and then when the order comes up we would know whether they are at the maximum or the minimum.

Mr. DOUTRE.—It would take a man's entire time to keep up a book of that kind.

The CHAIRMAN.—Of course it would.

Mr. DOUTRE.—I think it would be money well spent.

The CHAIRMAN.—There is another point in which it would have an advantage, and it is this: there must be considerable delay in your case at times in obtaining information as to the stock on hand and so on before you sign a specification.

Mr. DOUTRE.—There is.

The CHAIRMAN.—And if you were able to go to this book yourself and see how things stood, you could send the order out at once, if you thought it advisable to do so.

Mr. DOUTRE.—It would be of considerable assistance. I may say that this has been mentioned time and again in the department, but it has never yet been carried out. One of the main reasons, I suppose, is lack of space. Up to a few months ago I was working with ten people in a room about half the size of the one we are sitting in at present.

The CHAIRMAN.—Is your department cramped?

Mr. DOUTRE.—Oh, yes, at the present time it is but we expect to have better accommodation in a few months' time, and we require it.

Q. Where are you getting the space from and at the expense of whom are you getting it? A. The chief engineers have gone already and I do not know who is moving now.

Q. Some one has gone out of the building altogether? A. Yes.

Q. And others are going out of the building? A. That is rather unfortunate, and it is not calculated to increase the efficiency of the department, because I have to be in constant touch with all these officials who are leaving.

By Mr. Ducharme to Mr. Boyle:

Q. Would there be any advantage in having Sorel treated as an ordinary agency? A. I think it would be an advantage to have it treated as an agency in that I consider it would be more under the direct control of each chief of the department.

By the Chairman:

Q. We have thought ourselves of recommending that there should be closer touch between the Sorel shipyard and the department. We feel for instance, that the accountant at Sorel be responsible to the general accountant at Ottawa through the deputy minister, and while he is under the general superintendence of the head man down there, whatever his title may be, yet we think he should have a personal responsibility to the accountant of the department at Ottawa? A. Yes, sir.

Q. On the other hand, we feel that the practical work outdoors down there should be done by a person who would be in intimate touch with the practical work of the department here? A. Yes, sir.

Q. So that it could not be said there was one supreme director down there, who was cut off, as long as he liked, from the department up here? A. Yes, sir.

By Mr. Lake:

Q. What responsibility do you feel that you have at the present moment for the correctness of the accounts of the accountant at Sorel? A. I have only the signa-

ture of the director and the accountant, that is all the responsibility I have, as it is just now.

Q. It is purely mechanical? A. Yes.

Q. If the signature is there you would accept it? A. I will not accept an account without checking it, but I have no direct communication with them.

By the Chairman:

Q. It is purely formal at present. Under the other system we have thought of making the accountant at Sorel responsible to you directly and then you would feel it important to have a frequent inspection of his bookkeeping methods? A. Yes.

Q. And then you would go yourself, or send some of your men in the department, periodically, to have an audit made of the works at Sorel? A. Yes.

Q. And to see that things were kept in good shape? A. Yes.

Q. And that you don't do now? A. No, sir.

Q. Don't you think that would be very valuable? A. Yes, sir.

By Mr. Ducharme:

Q. Of course, there would be the question of sending cheques to the workmen for their wages? A. Of course, we pay them by cheque now; we have to pay them by cheque.

Q. Not at Sorel? A. Yes, sir.

Q. You send your cheque in a lump sum? A. No.

Q. You pay them man by man? A. Yes, sir, the men are paid by cheque now since the month of November last.

By Mr. Lake:

Q. These cheques are drawn out in the shipyard? A. Yes, but they come up here and we check them with the paylist. Then we send the paylist and the cheques over to the Auditor General and that ensures that John Jones got so much. That is the idea of the cheque system.

Q. For the payment of the dredging fleet the bills are drawn out and passed upon by the paymaster at Sorel? A. Well, it is passed upon by Mr. Forneret of the shipping fleet, but the paymaster pays it.

Q. The paymaster at Sorel simply pays it? A. Yes, sir.

Q. Who is the accountant for the dredging fleet? A. The accountant at Sorel takes charge of the fleet paylist too, but he does not pay them. We have a paymaster who goes out to pay them.

Q. With regard to the expenditure for the ship channel that is under Mr. Forneret? A. Yes, sir.

Q. And the books and accounts there are not kept at Sorel but up here in the department? A. No, sir, they are kept at Sorel.

Q. The whole of the books and accounts of all of the expenditure? A. Yes, sir, of course we have the totals up here besides that.

Q. Are they put through the same set of books as Sorel? A. Yes.

Q. And instead of paying that on the certificate of Mr. Papineau you would pay that on the certificate of Mr. Forneret? A. Yes.

Q. Mr. Forneret has charge of the work on the ship channel? A. Yes.

Q. And Mr. Papineau has no control over Mr. Forneret? A. Not in that way.

By Mr. Lake:

Q. But, the accountant is under the director of the shipyard? A. All paysheets come in to Mr. Blais from Mr. Forneret and Mr. Forneret signs them, and then hands them over to the accountant.

Q. As a matter of fact it is only a sort of convenience which is being made use of to have the shipyard staff pay the fleet bills? A. Yes.

Witness retired.

Public Service Commission

1912

EVIDENCE

RE

Montreal Harbour Commissioners

Department of Marine and Fisheries

MONTREAL, WEDNESDAY, May 22, 1913.

The Public Service Commissioners for Canada met in Montreal at the office of the Harbour Board to-day, May 22nd.

PRESENT:

Honourable A. B. MORINE,
Chairman,

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

GEORGE WASHINGTON STEPHENS, Chairman of the Board of Harbour Commissioners for the Port of Montreal, sworn.

Examined by the Chairman:

Q. When were you appointed to your present position? A. On the 1st of January 1907.

Q. Had you been a member of the Harbour Board before that? A. Never.

Q. And your present two colleagues were appointed at the same time? A. We were all appointed at the same time.

Q. And at that time the constitution of the port, its geographical limits, and its legal position, were altered as a result of legislation? A. I think we came in under a new Act of Parliament which abolished the old Board and created the new.

Q. In the main, the present Board of Harbour Commissioners have been acting in the improvement of the harbour on what is known as the Cowie plan? A. Yes.

Q. Or, do you know it by another name? A. Would you like me to give you a short history of the matter?

Q. Please do so in your own words. A. The present Commissioners assumed office and responsibility on January 1, 1907. At that time the work on the Harbour was apparently at a standstill. None of the sheds that you now see which have been contracted for were to be ready for business on the opening of navigation of May 1st, 1907. The contracts were in the hands of Peter Lyall & Sons. There was a conflict of opinion between the then chief engineer of the harbour, Mr. John Kennedy, and Mr. St. George the engineer, who had been appointed by the then Minister of Marine and Fisheries to represent directly the Minister of Marine and Fisheries and the Government, and the work was held up. There was a claim for extras on the part of Peter Lyall running into something over $600,000 I think, and Peter Lyall & Sons refused to go on with the work until the claim was settled. It was a very serious question and it was the first thing we had to devote our time and consideration to. It was met by the appointment of three men, these men being Mr. Holgate, Civil Engineer, Mr. L. A. Audette, then Registrar of the Exchequer Court and now Judge of the Exchequer Court, and Mr. Cowie. Peter Lyall and the Board of Harbour Commissioners agreed to abide by the findings of these three gentlemen who were appointed practically as arbitrators. These gentlemen studied all the phases of these works and the difference between Peter Lyall and the Harbour Commissioners which had been an issue over which they had had trouble for a period of over two or three years, and these gentlemen finally awarded $330,000 to Peter Lyall as a fair compromise, and that, Peter Lyall accepted, and the Commissioners accepted it also.

Q. Just on that point, was the award made in writing? A. Yes, there is a full report about it.

Q. And was it unanimous? A. Unanimous.

Q. Has it been printed? A. It is typewritten, but it has not been printed or made public.

Q. Was there any protest against that award by Mr. Kennedy? A. Not that I can recall.

Q. Had he ever reported in favour of a smaller amount than that? A. I think not, not to my knowledge.

Q. Of course, I am only asking you about it to your own personal knowledge; do you know of any difference of opinion or objection raised at any time by Mr. Kennedy to the amount given to Peter Lyall? A. No, I think not.

Q. We can have the award? A. Quite so.

By Mr. Ducharme:

Q. Was Mr. Kennedy employed by the Harbour Commissioners at that time? A. Mr. Kennedy, when we assumed office, was the chief engineer of the Commission. Shortly after he took office, he was then blind or getting so—we gave him the position of chief consulting engineer, retiring him as active chief engineer and replacing him by Mr. Cowie.

Q. When did this happen? A. All these things happened about the same time in the first few months of our office.

Q. Was Mr. Cowie acting chief engineer for you at the time of the award? A. I think he was, but as to that I am not sure.

By the Chairman:

Q. Now, Mr. Stephens, will you please continue on with your history of the harbour improvements? A. In the study of these questions and in our attempting to fit ourselves for the office we came to the conclusion that before starting any general development scheme for the harbour that we ought to get somebody whose experience as a developer of harbours would add power to his opinion in the matter of any recommendation he might make.

Q. One moment now—up to that time had the work by the previous Commission been upon an accepted plan applying to the whole harbour? A. Well, accepted in so far as the shed plan is concerned; that was a definite plan.

Q. And there had been a scheme with regard to the three piers before that? A. Yes, a scheme with regard to the three piers; the King Edward, the Alexandra and the Jacques Cartier.

Q. These three piers had been planned and the piers built? A. Yes.

Q. And the whole were in course of construction? A. The steel was in a skeleton shape on the piers.

By Mr. Lake:

Q. A contract had been made with Peter Lyall & Son for the completion of the sheds? A. Quite so.

By the Chairman:

Q. Had that building of these piers and the sheds been a part of the general scheme for the whole harbour? A. No.

Q. Was it a detached plan by itself?—A. It was a detached plan by itself.

Q. There was no general policy as was later adopted? A. No, there was no harmonious scheme in sight. In pursuance of our opinion on the matter we appointed Mr. R. C. D. Davidson, Civil Engineer of London, England, on the recommendation of one of the chief engineers of the Forth Bridge, Mr. Heresig, and the general manager of the Port of Bristol, England, which was then doing exactly what we were hoping

to do namely, creating a harmonious port. Mr. Davidson came here and during the summer of 1907 he remained in close touch with the work of the harbour as it went on. He saw the work of the harbour from day to day. He spent in all something like three months here and took his notes and information back and in 1908 he made his report. Then, the Board of Harbour Commissioners for Montreal decided that it would be wise to send their president and chief engineer to Europe to visit the great European ports and study their conditions and make a report upon which might be based a general development scheme of the harbour.

Q. Did you have Mr. Davidson's report when you started for Europe? A. Yes, I think we did; no, we did not have it when we started. His report came in May; I think it took a year to make it.

Q. What time in 1908 did you go across to Europe? A. We left in the month of January; I remember now we did not have his report at that time.

Q. Why did you think it necessary to go across before getting his report? A. Well, that will develop as I tell you the history. The chief engineer and the president of the Commission went to Europe and made a careful study of the European ports and presented their report. After this trip abroad the Commissioners authorized their chief engineer, Mr. Cowie, to prepare a development plan for the port of Montreal. That was done. Then, the Commissioners had in their hands Mr. Davidson's report and Mr. Cowie's report each of which had been independently prepared. Neither Mr. Davidson nor Mr. Cowie knew the report made by the other or anything about it. The Commissioners then had for study as Commissioners these two independent reports on the same problem. Then, they determined to submit these two reports to a Board of Canadian Engineers, five or six in number, consisting, I speak from memory, of Mr. John Kennedy, Louis Coste, Ernest Marceau, Henry Holgate, J. G. Desbarats, and A. St. Laurent. The report of Mr. Davidson and the report of Mr. Cowie were both submitted to this Board of Canadian Engineers and this Board evolved and approved of a development plan unanimously for the port of Montreal, which is the plan under which the present work is being carried out, and to the credit of Mr. Cowie I must say that the plan, decided upon by this Board of Engineers, almost unanimously as to each detail, was the plan that Mr. Cowie had prepared.

Q. Was it an absolute endorsation of what was contained in Mr. Cowie's plan, or was there anything new added to it by the Board? A. Well, there were one or two features taken from the Davidson report and plan and suggestions, and they were incorporated in the plan unanimously reported upon by that Board.

Q. Are you familiar enough with this matter to state what these amendments or additions were? A. Oh, yes, quite so.

Q. Then tell us what was taken from Davidson's report. A. Mr. Davidson had been employed in developing the port of Frankfurt in Germany, either in the capacity of consulting engineer or actively. In Frankfurt they have ice conditions in the spring that correspond very largely with the ice conditions in the port of Montreal, with the exception that the ice in Frankfurt is not as thick as it is here. This pier known on the plan as the new Victoria pier is a counterpart of the pier on the Rhine. That is built so that the outside of it is a high level pier and protected and the inside a lower level for the accommodation of the market vessels and small draught vessels. That is practically the one feature that was embodied in Mr. Davidson's plan that is still kept in the Board plan.

Q. That is the one feature which does not owe itself to the Cowie plan but to the Davidson plan? A. Exactly.

By Mr. Lake:

Q. Are there any other features of like kind that you know of? A. I think not. There were other things that do not appear on this plan at all that were suggested by Mr. Davidson but they were not found to be in keeping with the local requirements and conditions.

By the Chairman:

Q. Was every part of the Cowie plan endorsed at the time or has this been left for future consideration? A. The Cowie plan as presented to the Board went further than the Board were then prepared to endorse. The scheme of damming the river between pier No. 1 on this plan, and across the river at the western end of St. Helens Island, that was planned by Cowie and presented to the Board and the Board I believe approved of it but did not wish to recommend it before what they considered more important work had been given attention to.

Q. And I suppose also because of the large expenditure of money involved, and it was reserved for further consideration? A. Quite so.

Q. Is that about the only main feature of the Cowie plan which the Board did not for the time being adopt? A. I think so, yes.

Q. Did the Board add anything of material value to the schemes of the two men? A. Yes, the work of that Board eventually was particularly valuable in scheming out a modification of the entrance of the Lachine Canal into the harbour, which I attempted to point out to you gentlemen yesterday when we were there.

Q. Generally, they have suggested, that instead of there being two lifts there of 14 feet each there should be one lift there of 28 feet? A. Yes, I think that was a result of the consideration of the Board.

Q. Is there anything else they planned? A. I would not like to explain that report too minutely from memory, but the report is pretty full and can be had.

Q. If you cannot remember it, it cannot be very important; I was only speaking as to the important features. Were there any minority recommendations of any kind? A. I think the report was signed by every man on the Board and that there was no minority report.

Q. I have heard some suggestions that there were recommendations of Mr. Kennedy which were perhaps in the nature of a minority report? A. Perhaps there might have been. In the process of the finding of a harmonious scheme of the harbour there may have been differences of opinion between Mr. Kennedy and his colleagues on certain questions, but ultimately John Kennedy signed that report with the others of them, and when it came to the Board of Harbour Commissioners it was a unanimous report.

Q. I quite agree with that, but that is not the point; he may have done that and still there might have been some further explanation which he might have made? A. There might.

Q. Do you recall any? A. I do not recall any; I suppose that would be in the report made at the time.

Q. These reports of Mr. Davidson, of Mr. Cowie and of the Board have been printed? A. Mr. Davidson's report has been printed but it has been kept confidential. Our report has been printed: I refer to our report of the investigation of European harbours, and the report of Mr. Cowie to the Board is typewritten as is the report of the Board itself, but these latter two have never been made public.

Q. Is there any reason why Mr. Davidson's report should be kept confidential? A. There was at the time, because the Harbour Commissioners did not wish Mr. Cowie to know what was in Mr. Davidson's report before he made his own report so that the report of each engineer might be absolutely independent of the other.

Q. Then, there is at present, so far as you know, no objection to the publication of all these reports? A. None, except as a matter of policy.

Q. Even as a matter of policy? A. Of course, all the costs are given in these reports, the estimated expenditures on the different plans and all that. If it becomes public, it may have the effect, in my humble opinion, of giving the impression to those who do not understand that Montreal is a great national port, that Montreal is getting a tremendous amount of Government money for its development, whereas other parts of the country are being neglected. People who do not understand the matter may begin to feel that Montreal is being specially favoured.

Q. What you mean to say is this: that the objection, if there be any, would be of a political nature? A. Absolutely.

Q. And that would be a matter for the government to consider rather than the Harbour Commissioners? A. Quite so.

By Mr. Lake:

Q. You never published any general outline of the scheme except that which is contained in a printed map annexed to the report of the Commissioners for the year 1911? A. The newspapers have from time to time published maps showing what was being done.

By the Chairman:

Q. As a matter of fact your Board has no objection to the public being given knowledge of this scheme and this plan? A. None whatever.

Q. You do not regard this scheme for the development of the port of Montreal as a matter local to the city of Montreal? A. Oh not at all; Montreal is of course the great national port of Canada and there is no port of this Dominion which is not as deeply interested in its proper development as is the city of Montreal itself.

Q. I suppose, the prairie provinces would have more interest really in the development of the port of Montreal than many parts of the Dominion which are situated much nearer to it? A. Quite so. Every citizen of Canada is a shareholder in the development of this port.

Q. I would like to suggest my idea to you, and it is, that as the public has to pay, the true policy would be to apprise the public in the fullest possible way of the importance and magnitude of the plan so that the approval of the public may be won in that way. I believe that the country will endorse what is being done in Montreal when it knows of it, and I think you ought to give the public every possible chance of knowing? A. I think that it is a very valuable suggestion and I feel that it is one that will meet with the approval of the Harbour Commissioners of Montreal.

Q. Now then, the Board of Harbour Commissioners endorsed these plans and you commenced to work in 1910 under that plan? A. Yes, I think it was in the spring of 1910 the first move was made to go into that development scheme.

Q. Did that scheme comprehend the construction of Elevator No. 2 or is that a matter apart from it? A. No, there has been a small modification there.

Q. After the Board of Engineers had recommended and the Board of Harbour Commissioners had adopted the plan you have just referred to, it was submitted to the Marine and Fisheries Department? A. The plan was sent to Ottawa for approval and it did receive the approval of the government.

Q. And it is upon that plan that work has been done over since? A. Quite so and as the work has proceeded the individual plans of each unit of the whole have been approved at Ottawa by the department in the usual way.

Q. Was Elevator No. 2 a part of the Board plan? A. Yes, Elevator No. 2 was a part of the scheme, but in this connection I want to say there was another elevator planned further down the harbour. The Elevator No. 2 of today is the elevators No. 2 and 3 as accepted. The cost of Elevator No. 2 and its capacity and strategic position, is linked up with the whole elevator distributing machinery which could not be achieved in the case of a third elevator so far down the harbour. Considering it in this connection it will be found that its cost altogether was less, very much less, than if we had carried out the idea of putting up elevators No. 2 and No. 3.

Q. Now, we will resolve that into detail so as to make it plain; Elevator No. 1 was constructed in what year; it was prior to the present scheme? A. Three years before the present Commissioners took office.

Q. And when the present Commission took office it was operating? A. It was operating without its appendage of a conveyor system.

Q. It has storage capacity of 1,000,000 bushels? A. Nominally 1,000,000 bushels.

Q. And without the conveyor system it could only load vessels that lay beside the elevator itself? A. Quite so, it, was like a bird without wings.

Q. And now, by the conveyor system vessels can be loaded at the same time laying alongside the different piers? A. They can be loaded at their own berth night and day and simultaneously with the discharge or taking on of their general cargo.

Q. Even if they are at what distance from the elevator? A. At any one of the three main piers in the harbour. There are fourteen ocean berths at the three piers and a vessel lying alongside any one of these can be loaded with grain.

Q. That Elevator No. 1 was situated between the Alexandra pier and the King Edward pier? A. That is right.

Q. And Elevator No. 2 is between the Jacques Cartier pier and the Victoria pier? A. Yes.

Q. And the conveyor system will connect these two elevators and will make both elevators serve what? A. The conveyor system will connect the two elevators with the four piers.

Q. So that vessels lying at any of these four piers can be loaded from any one of the elevators or from both? A. Quite so, and that will mean that twenty ocean ships lying at their births can be loaded from these elevators.

By Mr. Lake:

Q. And can be receiving grain at the same time that they are taking on board a general cargo? A. Yes.

By the Chairman:

Q. If an elevator is subsequently built at the site intended for Elevator No. 3, that would not be connected by the conveyor system? A. No. There would probably have to be another unit started because there is a cost line which comes into play in that work. That is to say that distance plays a part in the distribution of grain. You can distribute grain from the centre up to a certain point economically, but after you have passed that point it becomes too expensive and ceases to be good business.

Q. For the present at least you are not contemplating building Elevator No. 3? A. No.

Q. The capacity of Elevator No. 2 will be what? A. 2,650,000 bushels with an ability to increase that up to 4,500,000 bushels with further additions to the elevator.

Q. And of that 2,650,000 bushels a portion of it is for storage alone is it not? A. Yes.

Q. That is in the new part which you are putting on the western end? A. Yes, 650,000 bushels of that is storage only.

Q. That addition has been designed quite recently? A. That was found to be necessary after Elevator No. 2 had been in process of construction for nearly a year.

Q. When will Elevator No. 2 be ready to commence storing grain? A. Elevator No. 2 according to the contractors can store grain on the 1st of June.

Q. There have been some delays in the work? A. Quite so.

Q. Can you give me any special reason for the prophecies of the contractors Metcalfe & Co., not being fulfilled, that it would be ready for the 1st of May this year? A. The non-delivery of material and machinery is the principal reason; that is the non-delivery of the material by the contractors who were supplying the equipment of the elevator.

Q. And though it be ready for taking in grain on the 1st of June the conveyor system must be completed before it can discharge it to the ships? A. Quite so.

Q. And that you do not anticipate before what time? A. The 1st of August, in time for the export business of this season.

Q. Elevator No. 2 has been built by the Harbour Commissioners themselves? A. Quite so.

Q. And under the supervision of Metcalfe & Co.? A. Under the supervision of the J. S. Metcalfe Co.

Q. In the first place who are the Metcalfe Company? A. They are a Canadian company at the head of which was John S. Metcalfe, looked upon as one of the best elevator experts in America.

Q. And when you say they are a Canadian company, are not the Metcalfes' Americans? A. John Metcalfe himself was a Canadian born in Canada; the head office of the firm is in Chicago.

Q. Had he been living and working in the United States? A. He had.

Q. His experience in elevator building was in the United States? A. And in Canada. He built elevators for both railway companies.

Q. At what places? A. At the Georgian Bay ports. Tiffin on the Grand Trunk, and Victoria Harbour on the C.P.R.

Q. Did he build any elevators at Fort William? A. I cannot say, I do not know that he did.

Q. How and why did you happen to fix upon them to supervise the construction of the elevator? A. Well, Metcalfe & Company were contractors for the conveyor system of the harbour in connection with Elevator No. 1 before Elevator No. 2 was contemplated.

Q. Did they become contractors for that by tender? A. I think so. I would not be sure about this, but I think they were sub-contractors to Peter Lyall. The conveyors are part of the sheds; that is to say they are attached to the sheds, and as Peter Lyall had the contract for the sheds, if my memory is correct he also had the contract for the conveyors which were built by Metcalfe & Co. Now, Metcalfe & Co. were recommended to the Harbour Commissioners by the railways as the best men they could get to supervise any work in connection with railways or a conveyor system.

Q. Can you tell me why it was decided to build by the Harbour Commissioners directly and not by tender and contracts? A. Well our experience with the conveyor system was that instead of calling for tenders for the whole work en bloc we could do the work more economically by calling for tenders for the work by each unit as the work went on, and in connection with the conveyor system alone there was a saving of $30,000 or $40,000 in that way. There has been an actual saving over the estimated cost by contract. Now, the work in connection with Elevator No. 2 was a problem in this sense that time was one of the biggest factors in the whole thing. Briefly the problem was to get elevator capacity going in the harbour within any reasonable time to cope with the business. The history of Elevator No. 1 was before the Commissioners, Elevator No. 2 being built by the calling of tenders and that elevator consumed so many years to get it going that the Commissioners did not wish to contemplate spending four or five years building a second elevator.

Q. How long did it take to build Elevator No. 1? A. I could not state that exactly from memory and I would like to be exact about it. I will get the facts in connection with that. At all events, after consideration of the policy of the thing it was decided to proceed under the Commission directly and if necessary to take contracts for the units. As a matter of fact all the material has been bought by tender.

Q. But, with reference to the work that has been performed on that elevator it has been done by day labour? A. By day labour.

Q. Has any portion of the construction been done under tender and contract? A. Applying that to the building of the elevator itself, no.

Q. Applying it to anything else? A. But applying it to the equipment, yes. All the equipment of the elevator has been done by tenders being called for.

Q. The broad general effect of the arrangement with Metcalfe & Co. was that they were to supervise the construction under the Commission and to receive a

percentage of the cost? A. They were to design the elevator and its equipment, supervise the construction of it for the Commissioners on a commission of 3 per cent for plans and 7 per cent for supervision.

Q. The 3 per cent would be assessed on the total cost of the elevator? A. On the total cost.

Q. So that practically their compensation is 10 per cent on the whole cost of the elevator? A. Yes.

By Mr. Ducharme:

Q. Including machinery? A. Including machinery.

By the Chairman:

Q. Where were these designs made? A. You mean the plans?

Q. Yes. A. Some of these plans were made here and some were made in Chicago.

Q. Do Metcalfe & Co. maintain a staff here? A. They do.

Q. They have an office of their own here? A. They have an office.

Q. And a man in charge? A. They have a staff of 15 or 20 on this job.

Q. All their own staff? A. Yes.

Q. All? A. All.

Q. Who is the head man here? A. Mr. Spellman is the head member of the firm here; he and Mr. Metcalfe are partners. The office head man is Mr. Rolph, then there is Mr. Durham the general superintendent of the job, and the man on the job all the time is a Mr. Hodge.

Q. Do Mr. Spellman and the staff have any other work proceeding in Montreal? A. I think not.

Q. So that the whole establishment, for the present at least, is maintained for this work? A. Quite so.

Q. And the making of plans and the tracings that are made, and all the work that has to be done in that connection is done by that staff? A. Yes.

Q. Does the engineering staff of the Commission have anything to do with that work? A. No, none whatever.

Q. Do the designs pass under the observation of Mr. Cowie for approval? A. No, they do not. Mr. Cowie has no elevator experience.

Q. As a matter of fact the position is that Metcalfe's staff, are for this purpose, the staff of the Harbour Commissioners? A. Technically the staff of the Harbour Commissioners.

Q. Charged with the care of the whole thing? A. The care and the responsibility.

Q. And their compensation for all that is included in the 10 per cent? A. Yes.

Q. The infirmity apparent on the face of a contract of that kind is this: that the greater the cost the greater their percentage? A. That is quite true. We have had estimates submitted on the cost of a great part of that elevator before the tenders were called for for the different work.

Q. You mean for the different materials and equipment? A. Quite so. We had an estimate made of the whole cost of the elevator before the work was begun. It is a little early yet to be able to compare whether the total cost will exceed or be less than the estimate, but on the estimate on units in a great number of cases the actual cost has been much below the estimated cost, due to perhaps a change in price conditions at the time the stuff was required and asked for, compared with the price conditions that existed when the estimates were made. But, the fact remains that the cost of the stuff supplied has been, as I stated, in numberless cases, much below the estimate made for it.

Q. Can you say now whether the total cost will approximate pretty closely to the estimates given by Metcalfe & Co. on the initiation of the work? A. I could not answer that question intelligently without getting the figures.

Q. Will you kindly get the figures? A. I will get them.

Q. The elements that enter into the cost of construction are, first, building materials, and those have been purchased by tender and contract? A. They have.

Q. There will therefore be no power on the part of Metcalfe & Co. to either increase or decrease that? A. No.

Q. Then, the next element that enters into it is machinery of one kind and another and that has all been purchased by tender and contract? A. Yes.

Q. And Metcalfe & Co. in any case, they are not suppliers I presume? A. No.

Q. And I suppose the most expensive part of that material would be purchased out of this country? A. No. Some of it has been purchased in the States that could not be purchased here, but the great mass of it has been purchased in Canada.

Q. And by tender and contract? A. By tender and contract.

Q. And you are satisfied that the Commissioners kept control of that? A. Quite so.

Q. Metcalfe & Co. were not able to influence it at all? A. Not in the least.

Q. And every tender received was opened by the Commissioners and not by Metcalfe & Co. and the tenders were called for by the Commissioners? A. Yes, the tenders were called for by the Commissioners and they were called on details prepared by Metcalfe & Co. But, the tenders are addressed and submitted to the secretary of the Harbour Commissioner Board and opened by the Commissioners.

Q. What you mean is that the specifications upon which the tenders were called for were prepared by the engineers, by Metcalfe & Co., but the tenders when received are opened by the Board and awarded by the Board on the advice of Metcalfe & Co., I suppose? A. Quite so.

By Mr. Ducharme:

Q. Your own engineer has nothing to do with that? A. No.

By the Chairman:

Q. The third element of cost is the labour that enters into the work? A. Yes. The labour is protected by a clause in the contract which says that the labour hired on that particular work has to be paid at the prevailing prices of labour in Montreal at the time, and that has been carried out.

Q. That is all right with regard to that feature of it, but who has the say with reference to the number of men that shall be employed at any time? A. John S. Metcalfe & Co.

Q. Who employs the men? A. John S. Metcalfe & Co.

Q. They have an employment office in the building itself, or where have they their employment office? A. At the elevator on the ground. It is not an employment office alone but a general office.

Q. Are men ever sent to them from the Commissioners or from this Harbour Office here to give them employment? A. There have been.

Q. How would that be done, would it be done officially or by just some of the Commissioners? A. How that would be done would be this: Some member of parliament would send a recommendation to the Commissioners recommending somebody for a position and in the regular course of business it might be that we could have a job somewhere for that particular person and that job may be on the elevator or in some other part of the harbour. The men that have been sent to Metcalfe & Co. from the Commission have been men that have been recommended by members of parliament from time to time.

Q. On that point in particular; how could the Commissioners have any position in connection with the elevator to give if Metcalfe & Co. were employing the men?

A. Well, Metcalfe & Co. are of course in charge of the job and the Commissioners are not in a position—

Q. They are the servants of the Commissioners? A. Quite so, and just as each foreman on the work in charge of a gang of men very often picks up a man under him that will serve him in the work, so Metcalfe & Co. as a Contractor—

Q. But he was not a contractor—and that is what I want to get at. He was not a foreman either. I do not want to put it on the ground of Metcalfe & Co. being foremen. Would you consider in fact with regard to the employment of labourers and mechanics and others who were being paid by the Commission in connection with the elevator work, that Metcalfe & Co. were to exercise an independent control or that they were to employ men at the request of the Commission? A. When the job was available and the man fitted for it they would, I presume, act upon the recommendation of the Commissioner or the Commissioners.

Q. I want to make the position perfectly clear? A. Quite so.

Q. If Metcalfe & Co. had been contractors for the building there, any labourer or any servant who would have applied to the Board of Harbour Commissioners for the job would be told to go to Metcalfe & Co. who were the contractors. Now I just want to get at what the practice with regard to employment down at the elevator was. If it were understood that the employment of labour would be done by the Harbour Commissioners then the persons would be sent down from this office to the work? A. Well, practically, with occasional exceptions, all the labour employed at the Elevator No. 2 was employed directly by John S. Metcalfe & Co. Now, the pay rolls are paid at this office every week or every two weeks as the case may be. We supervise the pay rolls of Elevator No. 2 just as we do the pay rolls of our workshop on the guard pier or any other part of the harbour.

Q. I know that; the timekeeper down there is a servant of the Commission? A. Yes.

Q. The pay rolls are made up by the timekeeper? A. The time, of course, is made up by the timekeeper and the time is checked in the office and supervised up here.

Q. Who is the right person in your office to explain to me the pay and time system? A. Mr. Seath takes charge of that.

Q. Have Metcalfe & Co. or their man ever complained that too many men were being sent to them? A. Not to my knowledge.

Q. Have they made any complaints at all on the labour question at any time? A. Only in cases of rates of wages where carpenters or other trades working on the job struck, and we had to adjust it.

Q. What complaints have they made in connection with this? A. Well, last spring a strike of carpenters occurred through the carpenters wanting a raise in wages from 30 to 35 cents an hour. We stuck it out until the carpenters were called off the work, and we, like other employers in the city had to raise our rate from 30 cents to 35 cents an hour.

Q. Metcalfe & Co. being paid on a percentage basis, the larger the labour bill the larger their percentage would be? Therefore, one might say they had no objection to accepting extra labourers who were sent to them from time to time, but on the contrary, they being in that position and your engineering staff having nothing to do with the construction there, what precautions were taken to prevent an over supply of labour and waste in that way? A. The inspection weekly of the pay rolls submitted here to the office.

Q. But that would be no practical check on whether the amount of labour was necessary? A. It would be a check in this sense that, after the job was organized the fluctuations in the amount of the pay roll and the amount of time spent on the job by the men would be brought under our notice. These two things would come under the notice of the Commissioners when the pay rolls were presented and they would be a constant indication as to the general status of the work.

Q. Yes, but only an indication which, unless you were having it followed up in a systematic way by some of your staff appointed for that very purpose, would have no real value. Here is the position I am putting to you: You have a work going on there under men who are in one sense your servants but they are paid in proportion to the expenditure and therefore the more extravagant they may be the greater their pay would be? A. Quite so.

Q. Ordinarily that would not be the case because your labourers would be superintended by your salaried men who would have no interest in the amount of the expenditure. Then, on the other hand, if contractors were doing the work down there it would be none of your business as Commissioners how much they spent because they were doing it at a fixed sum and they would guard the expenditure. What I want to get at is this: What steps were taken in this matter to practically prevent waste by extensive employment of labourers? A. None. We had confidence in the superintending of Metcalfe & Co. on that job. We had more confidence in Metcalfe than we had in anybody else and we employed him because of that reason. If he was a scoundrel or if his firm were scoundrels we would be subject to the danger which you indicate and in like manner we would be subject to that danger if we had dishonest men superintending the work in relation to every other unit of the work under the Harbour Commission. Any contractor running a job is subject to the same danger in connection with the pay roll.

Q. Not at all. A contractor for the government who is going to make just so much margin as he can between what it costs him and what he gets, is going to watch every labourer that is employed and the necessity for employing such labourer either through his own eyes or through his handy man? A. Quite so.

Q. And you are in a precisely opposite position from that because you had no salaried man watching the labourers? A. Do you mean to check the time?

Q. Not to check the time, because I take it for granted that every man who was paid and whose name was on the list was there and working? A. That is so.

Q. What check was there to prevent two men being employed where one man would have been sufficient? A. None.

By Mr. Lake:

Q. There was no permanent official of the Harbour Board charged with the duty of inspecting the work as it progressed? A. No.

Q. Neither as to the question of the amount of labour employed or as to the quality of the work? A. No.

By the Chairman:

Q. You had no servant of the Harbour Board there, a salaried man, who had the capacity and duty to check the progress of such labour? A. We had not.

Q. Did you have any direct representative watching from day to day and from hour to hour the progress of the men and their labour on that work? A. We had not.

Q. Without imputing anything at all wrong to Metcalfe & Co. and assuming they are the most honest people in the world, is it a good business proposition to deal with anybody without check upon the ground that they are honest and do not need a check? A. Well, generally speaking, of course it is not. Every possible check that the Commission would be able to put on that job with the exception you have named were put on it.

Q. Can you tell me why you never thought of checking the expenditure in that way? A. Well, for no other reason than that Metcalfe was the only expert with a knowledge of elevators and elevator work that we had confidence in to do that work, and I may say that we had entire confidence in Metcalfe.

Q. I can quite understand Mr. Stephens, why it was proper to give Metcalfe & Co. the contract and why you should pay them, as an architect is frequently paid by commission on the expenditure, but, looking at human infirmities I should think there ought to be a check on them? A. Quite so.

Q. I cannot see why your Commission should not have had on that work men who were watching the expenditure from time to time and competent to say whether waste was taking place or not, more especially as if it be said now that waste has taken place in the amount of labour employed, Metcalfe & Co. are in a position to say that it is not their fault but their misfortune because men were pressed upon them that they did not want? A. I do not think that phase has arisen in any way. I do not think that men were ever pressed on Metcalfe & Co.

Q. But they are in a position to say it. Suppose the charge is made publicly or anywhere else that Metcalfe & Co. being paid a commission on the cost of the work, were vastly too extravagant in connection with the labour. Metcalfe & Co. are in a position to say that it is not their fault but their misfortune because they were crowded with men? A. If that position were taken, of course Metcalfe & Co. or anybody else could say that, but the Commissioners have never had that phase presented to them at all.

Q. Why did not your Commission ever think of the importance of putting a check in that way upon the employment of labour and watching it going on at that elevator; was it blind faith in Metcalfe & Co.? A. That may be what it was; we have every confidence in them.

Q. While it might be justified, still a check would be ordinary prudence? A. I think an examination of the whole course of that work and its cost and all that will reveal no situation such as you indicate that can be charged against Metcalfe & Co.

Q. So far as you are aware was there at any time an excessive number of men employed? A. No. We have rushed that work as fast as we could rush it.

Q. And that was desirable of course in the public interest? A. And as many men as reasonably could be put on the job at all times, night and day, Sundays and holidays, were put on the job.

Q. To the best of your knowledge and belief have ever more men than was really desirable been employed on that job? A. No.

Q. About election time last year was the number of men employed on the work greater than at any other time? A. No, it was not.

Q. To the best of your knowledge and belief did that affect you in putting a number of men on the work? A. Not in the least.

Q. And for yourself you didn't do anything of that kind? A. Absolutely, no.

Q. You never put a man on for that purpose? A. Not a single man.

Q. How often are these men paid? A. They are paid weekly I think or every two weeks.

Q. And a comparison could easily be made of the number of men working in each week? A. Quite easy.

By Mr. Lake:

Q. Were you ever short of labour there? A. Oh yes, many times we have been short of labour.

Q. That is to say you could not get labour? A. That is we could not get as many workmen as we wanted.

By the Chairman:

Q. Upon the whole you have been satisfied and pleased with the progress of the work under Metcalfe & Co.? A. Pleased with the quality and pleased with the manner in which it was carried out, and disappointed it did not get finished absolutely within the terms of the contract.

Q. And upon that subject, you do not attribute the disappointment to Metcalfe & Co.? A. Not at all.

Q. You believe that they have done their work satisfactorily? A. We have every reason I think to be satisfied with the way Metcalfe & Co., have handled that job, and

no greater disturbance exists in connection with it than is always prevalent on work where great quantities of materials are supplied from different parts of the country.

By Mr. Ducharme:

Q. Were there any representations made to you as to men being idle on the work? A. No, none.

Q. Did you ever yourself see the men idle? A. During the season I have been in the elevator or around it probably once a day at least. In the winter time of course I have not been there so often. I have never seen men idling. I have seen men waiting necessarily because of the movement of the machinery, but they were not idling in the same sense that I understand you to mean.

Q. Have you noticed men idling on the harbour work outside of Metcalfe's contract? A. I have not noticed any harbour employees idling.

Q. When this half million dollar question came up between Lyall and the Harbour Board, do you remember if it was during Mr. Kennedy's time as chief engineer? A. We came into office on the 1st of January, 1907, and within that month of January this question came up, and within that same month Mr. Kennedy I think was promoted to be consulting engineer. The documents will show that.

Q. And the work done by Lyall for which extras were claimed was done when Mr. Kennedy was chief engineer? A. Yes.

Q. Was there in that claim, work comprised on some fourteen floors in the elevator? A. Not in the elevator; you probably have reference to the contract for the sheds.

Q. You say that you began this work in 1910; what did you do between 1908 and 1910? A. We were doing the general completion of this work that was not finished when we took office.

Q. According to the old plans? A. Yes.

By the Chairman:

Q. I have a memorandum here about two transporters for the upper stories of the steel sheds which were never used; do you know anything about that? A. Yes, sir.

Q. Tell us the facts will you? A. The building of two story sheds was opposed by all the men interested in the shipping.

Q. These are sheds on the piers into which cargoes are discharged by the ships? A. Yes, and during the first years of the present Commission in office the upper stories of these sheds were not used. That presented the problem of finding some way to make possible the use of the upper stories and these two transporters were the result of what Mr. Cowie saw in his European trip and they were thought to be a possible solution for the upper stories of the sheds.

Q. State briefly what a transporter is? A. A transporter is a piece of machinery for the purpose of taking cargo from the hold of a ship and lifting it to an upper story, and in the case of these transporters carrying it across the sheds and re-delivering it to a vehicle or into a railway car.

Q. Therefore it would be in the form of a crane? A. It is practically a form of crane. In the shed it is running on tracks. It was mounted on tracks so that it could be serviceable either on the ship side or the shore side of the shed.

Q. It would be like one of the travelling cranes that would pick the stuff up on one side and deliver it on the other? A. Quite so.

Q. And two were obtained? A. Yes.

Q. Costing about what? A. I do not know whether they cost $15,000 each or $30,000 each but we can get that.

Q. Were they ever used? A. One was put in one shed leased by the C.P.R. and another was put in another shed leased by the Grand Trunk. Practically speaking they were used intermittently for one summer and are not used now except in occasional cases.

Q. Had you in your European tour seen them used in harbours or ports on the other side of the water? A. They are used in every port almost and these cranes which we purchased are the same or are modifications of them.

Q. Why did they turn out to be more or less useless here when they are used in other places successfully? A. Well, because in the first place of the antagonism there was against the use of the upper stories in the sheds at all. We had to face that prejudice. Then, the ships discovered that they could use their own ship tackle to put the stuff up, which was a cheaper way than to use anything that might be put in the sheds themselves, and that has turned out to be the method used in putting the freight on the upper stories.

Q. The ship's tackle now puts the freight into the upper story of the shed? A. Yes.

Q. And what do you use to get the freight out of the upper stories? A. In the sheds where electric hoists are installed a team can be put on to the upper story by means of these electric hoists and the problem of handling freight has been reduced to exactly the same convenience as though the freight were on the lower story because the team and its load of cargo are lifted up and down with great facility as the necessity of the case demands.

Q. How many sheds are served by these electric hoists? A. Four.

Q. How many sheds are not so served? A. Ten.

Q. In these ten sheds how do they handle the goods? A. It is handled by chutes inside and outside the shed, from the shed down to the vehicle.

Q. Is that satisfactory? A. In the case of some classes of cargo, yes, and in other cases, no. Cargo that breaks easily cannot be handled that way.

Q. How long have these electric hoists that you speak of been in operation? A. This is the second summer.

Q. These electric hoists take loaded or unloaded teams and raise them up to the second story and then the teams can travel around the second story picking up or exchanging freight? A. Quite so.

Q. Is that an original design for the port of Montreal or was it copied from some place else? A. That is an original design with us.

Q. Who is the author of it? A. Mr. Cowie, the chief engineer.

Q. It is working satisfactory? A. Up to the present time it is working very satisfactorily; more satisfactorily than we anticipated.

Q. And from our observation of it yesterday it would really appear that it has made the upper stories of the shed really more useful than they could have been in any other way? A. It has made them as useful as the lower stories in every way.

By Mr. Lake:

Q. Has it overcome the objection which the transportation companies had against the building of the upper stories in the sheds? A. Quite.

By the Chairman:

Q. And you think that objection has now entirely disappeared? A. Absolutely.

Q. Will you go on with building of other hoists in the sheds not now supplied with them? A. We will go on with more hoists and more sheds and probably more stories.

Q. And you will supply them all with these electric hoists? A. I think that will be the policy for the future.

By Mr. Lake:

Q. Can you give me an idea as to the increase in the use of these upper stories compared for instance, with the use of them last year? A. Yes, the number of teams lifted up and down has doubled in the course of one year. That is as concise a way as I can put that.

By the Chairman:

Q. Were these transporters of which we were speaking purchased without tender? A. No. Prices for these were submitted by two English firms and one was bought from one firm and one from the other and each price was compared with the other. I may say Mr. Chairman that the whole thing was an experiment.

Q. I have a complaint here and one element of that complaint is that the purchase was made without tender? A. That is not so.

Q. I suppose in the ordinary sense of the word, there was no advertising for tenders? A. Quite so.

Q. But they were not purchased without the submission of a price from two firms? A. Certainly not. A design was made for a crane suitable to this port after we had seen the crane working in all the other ports and the suggestions of Mr. Cowie as to the cranes we wanted were given to two English firms and they submitted prices. Of course this was a specially constructed piece of machinery. There is no crane like this anywhere else.

Q. It was not a marketable or standard article; it had to be built to order? A. It was a piece of machinery which had to be built to order as an experiment for this port.

Q. And these two English firms are in that business? A. Yes, they are the greatest crane builders in England and perhaps in the world.

By Mr. Lake:

Q. It was a modification of the style of cranes that you saw used elsewhere and adapted as you believed to the local necessities of this port? A. Quite so.

By the Chairman:

Q. And one order was given to each firm? A. Yes.

Q. And these cranes did not fail to be used because of any inherent defect in the cranes themselves? A. No, they can be worked to day if you wish to see what they can do.

Q. They are still working? A. Yes, and they will be taken out of these sheds as not suitable to the sheds and they will be placed somewhere else where their work will be effective.

Q. Do you remember when the tug boat *Sir Hugh Allen* was put into commission? A. She arrived here the middle of last summer, 1911.

Q. Do you remember what the price was? A. She cost $120,000.

Q. And she was built by whom? A. Vickers, Limited.

Q. Vickers, Sons & Maxim? A. Yes, sir, but they have changed their name to Vickers, Limited.

Q. Was she built without tender? A. Well no, tenders were called for from a firm in Belfast and from Vickers, Sons & Maxim. The Belfast firm did not tender. They wrote to say that they were so filled up with work that they could not tender. As a matter of fact the only price we got for that boat was from Vickers, Sons & Maxim.

Q. Was the boat designed in advance? A. No, the boat was not designed in advance; I beg your pardon, let me know what you mean.

Q. You say a price was asked from two firms; before a price was asked some specifications had to be made? A. I just don't know off hand how that was. Of course we could not design a boat here. We could state a general idea what we wanted. However, the correspondence will show all that much more concisely and definitely than I can tell you.

Q. Have you purchased land cranes recently? A. Yes, we have.

Q. I have a memorandum here that four land cranes were purchased without tender? A. There will be correspondence on that and I will get it.

Q. Tell me briefly about the rental of land to the Canadian Pacific Railway Company? A. Which land?

Q. The land leased to the C.P.R. Co. for a term of 40 years; tell me the facts in your own succinct way? A. A high level railway was part of the dock scheme to connect not only the eastern and western ends of the harbour, but to make all the water front accessible to rail delivery.

Q. Where does the high level railway begin? A. It begins practically at the Victoria pier and goes northeast to the Racine pier; that is the end of it now.

Q. It is an elevated road? A. Yes.

Q. Where does that receive the cars of the railways? A. The whole system of receiving and delivering from the railways is now practically under the control of the Harbour Commissioners.

Q. Where do your yards and sidings begin? A. Our terminal facilities begin at the foot of McGill and go eastward as far as the Racine pier.

Q. And every railway car that passes forth over that area is pulled by a locomotive of the Harbour Board? A. With one or two exceptions. In the case of allotments that are exclusive such as Windmill Point pier.

Q. Exclusive to the railway such as Windmill Point pier? A. We permit the railway itself to do its own shunting back and forward there. That ,however, may only be temporary; we may some day, or whoever comes after us, take that in also.

Q. Who operates on the Windmill Point pier? A. The Grand Trunk owns about half of the Windmill Point pier.

Q. Has the C.P.R. Co. anything of the same nature? A. Not in this part of the harbour. The C.P.R. have no exclusive pier but they receive large quantities of coal at Section 33 and they are permitted to haul their own cars of coal from the ships side to the Hochelaga yards which are immediately to the north.

Q. So that they really do not pass over any large extent of the elevated road? A. No.

Q. And that is equally true of the Grand Trunk Co.? A. It is.

Q. It would be right to say that all the cars passing over the elevated tracks from one end to the other of the system are hauled by your locomotives? A. Yes.

Q. And you charge them a certain rate for that? A. We charge them $2.50 per car.

Q. For any distance over that road? A. There is a regular tariff of charges for the different switches. In the main it is $2.50 a car, but as the harbour grows in distance and becomes more extended the charge must of necessity be increased. May I say in connection with the high level railway that in addition to linking up the entire harbour front through the railway, on account of the railway being on a high level it gives a railway service for twelve months in the year instead of as formerly for only a portion of the year when there were low level tracks and when the water covered them just the same as the rest of the harbour and put them out of business. Now we have a railway terminal there that is effective for twelve months in the year and that will give accessibility to every manufacturer who settles in the eastern part of the harbour, to deliver and receive goods at his own door.

Q. Of course, when you speak of an elevated road you mean an embankment? A. A raised embankment that separates the railway traffic from the vehicular traffic and makes the approaches to the harbour front from Victoria pier to the eastward, by subway from the city instead of by level crossings as formerly.

By Mr. Ducharme:

Q. How high is this above high water? A. Record flood, however high that was; it is planned to be higher than the highest water known.

By the Chairman:

Q. You do not refer to an elevated road in the sense that other elevated roads are referred to in other parts of the country; it is not a railway run on trestles? A. Oh, no. . . . . .

Q. When did the elevated road go into operation; how long is it since you first began to haul the cars with your own locomotives? A. That was done the first year we were here; it was commenced in 1907 but we then had no equipment of locomotives of our own.

Q. When did you get your own equipment of locomotives? A. In the year following, 1908.

Q. What have you done recently on that elevated road; when did you make the elevation and extension along the central portion of the harbour? A. That has been done during the last two years.

Q. Is it progressing this year also; are you pushing it further to the north? A. Gradually we hope to carry that road down to the end of Montreal island.

Q. And some of it is being built this year? A. A little of it is being built every year.

Q. Will you please tell us about the rental of some land to the Canadian Pacific Railway Company? A. We used the opportunity of the development of the Place Viger passenger and freight yards by the Canadian Pacific Railway to take over the excavated material from the Place Viger work and use it in the building of our elevated railway. In the summer of 1910 the whole of the elevated railway that we built that year was built with this fill, from Victoria pier to just below the Sutherland pier.

Q. And you did that with the material got from the Place Viger excavation? A. Yes, and had we been forced to build it out of dredging material from the river or fill from the city that same work would have taken five years to do it.

Q. And how about the cost? A. It would have cost very, very much more.

Q. On what terms did you get that material? A. It figures up about 20 cents a cubic yard.

Q. Did you buy it by the cubic yard? A. We did not know how much fill we would get, or how much we would need, but the price named to us by the C.P.R. was between 25 cents and 30 cents a yard, but it figures out now at 20 cents a yard after we have done the work. That is to say, we got about 500,000 cubic yards and the cost of it was about $100,000.

Q. Does that agreement concerning the filling material and also the land that you let to the C.P.R. exist in writing? A. It does.

Q. Will you let me have a copy of that writing? A. Quite so.

Q. The northern end of what is called the Mackay pier is now removed? A. Yes.

Q. It is proposed to put an embankment at the end as it will be after that part is removed, running a little more in the direction of St. Helen's island, than the main pier? A. For the purpose of widening the entrance to the upper part of the harbour.

Q. And the proposed embankment which is to be added, what purpose is that to serve? A. That is for the creation of extra berths in the central harbour.

Q. And it will also have the effect of protecting the Victoria pier to some extent from the down river current? A. Quite so.

Q. It will have, however, the effect of forcing the water into the narrow channel between the end of the new part and St. Helen's island? A. Which is compensated for by the opening up of the channel between St. Helen's island and the south shore.

Q. The excavation of the proposed channel has been begun already? A. It is already begun.

Q. At the northern or downstream end? A. Yes.

Q. Will the completion of that channel be pushed pretty rapidly? A. The material from that channel is to be used in works that are being created here.

Q. Being created on the Montreal side? A. Yes, on the mainland.

Q. And scows bring it over from the dredging to your works along the Montreal side? A. Yes.

Q. What does that mean with regard to the question I asked you? A. It means that while the south channel if treated alone could be made in quicker time than it is now being made in, the work on it is being timed concurrently with the work and progress on the Montreal side so that this work may get the benefit of it.

Q. That is to say that the progress of it may be slower for the sake of the construction work that is being done on the Montreal side? A. Yes.

Q. Will the channel to its full width be excavated as you proceed along, or will you excavate a narrow channel first and then widen it? A. I imagine it will be narrowed first and then widened to its full breadth.

Q. Can you give me an idea as to how soon under the present plan you are likely to have any channel on the south side from one end to the other? A. That will probably cover two seasons.

Q. This year and next? A. Yes.

Q. Then you hope to have a channel from end to end open although not as wide as it will be later? A. Yes.

By Mr. Lake:

Q. Will that be done before the new Mackay embankment is started? A. That has already been commenced.

By the Chairman:

Q. You expect to complete that this season? A. We will not complete it all this season.

Q. It will have the effect of diverting the water almost immediately? A. Almost immediately. There are three things to be considered in that. There is what is locally called St. Mary's current between Isle Ronde and the Montreal side. That is, the damming of the water at Moffett's island on the south side, and the pier leading from St. Lambert's to Moffett's island which sends all the water over to the Montreal side. The direction given to the guard pier by the Mackay pier leads the water that is shoved against it and congests it into the narrowest part of the channel on the Montreal side, making navigation difficult and sometimes dangerous. From an engineering point of view, it is hoped that the modification of the Mackay pier, the building of this channel, and the taking away of a portion of Moffett's island and the Grand Trunk Railway pier will lessen the St. Mary's current very considerably.

Q. That, of course, is perfectly clear, but I want to get an idea of the progress of the work; you are now building the Mackay embankment? A. Yes.

Q. Which would at first seem to have the effect of absolutely further narrowing the channel for the water between St. Helen's island and Victoria pier? A. That is quite true. The new embankment for the Mackay pier is momentarily held up for that reason.

Q. And you will not proceed with it until you can do something on the south side to relieve the congestion? A. Quite so.

Q. The Grand Trunk Railway wharf to Moffett's island is still the property of the Grand Trunk? A. It is still the property of the Grand Trunk, subject to being reclaimed by the Crown.

Q. Does the Crown own it? A. In the agreement between the government and the Grand Trunk Railway, the Crown have a right on a year's notice to take it back, compensating the railway for so doing.

Q. When? A. Last October.

Q. I presume the Grand Trunk might, if desired, waive the notice? A. We are now negotiating with them.

Q. And in addition to that your Board has expropriation powers? A. We have.

Q. Which you could use if necessary? A. Which we could use.

Q. And you say that in the meantime negotiations are going on? A. Negotiations are at the present time pending with reference to Moffett's island.

Q. And in case they are successful you would remove that pier this season? A. The moment we can get possession we can start on that.

Q. The removal of that pier, even without the excavation of the channel ought to have a marked effect on the south side? A. Quite so.

Q. Then if you could do that you would proceed with the addition to the Mackay pier and you think that would materially improve the current? A. That would lessen the current and enable the work on the new Victoria pier to proceed.

Q. That is the outer work, the high level? A. Yes.

Q. Is that being proceeded with now? A. It is held up also for the same reason.

Q. What are you now delaying about? A. We are delaying principally because of the non-decision in connection with Moffett's island.

Q. Non-decision by whom? A. By the railway company as to relinquishing.

Q. Is there any special reason for that delay by them that you know of? A. No special reason except an agreement with them for compensation of a suitable kind.

Q. How could you arrive at a decision as to that; does it call for arbitration? A. It has not reached that point yet. We are now negotiating.

Q. Are these negotiations delayed for any purpose? A. They have been delayed through the death of Mr. Hays; that has tied all business up with the Grand Trunk.

Q. And of course it is very important to you to bring these negotiations to a head? A. It is most important.

Q. Is there anything you could do to hurry them? A. As a matter of fact I have seen Mr. Kelly, the chief engineer of the Grand Trunk, to-day, since I saw you before, and he is open to another conference at any minute. That conference may lead to a basis on which we can go ahead with that work.

Q. Has there been any objection made by the Pilots' Association or Shipping Federation, to your proposals regarding Victoria pier? A. Not to the pier itself; there have been objections made by the Pilots' Association against the change in current that is being created by the construction of the addition to the Mackay pier.

Q. Upon the ground that it was increasing the rapidity of the current, or what? A. Upon the ground that the current is changing from day to day through this construction work going on, and bothering the pilots in their estimates of the current.

Q. But you have apprised them of what the designs of the Board were in making these changes? A. Quite so.

Q. And that the general design has met with their approval? A. Yes.

Q. You say that the objection of the Pilots' Association and the Shipping Federation was a temporary objection purely, to the effect created for the time being by the construction work? A. Quite so.

Q. And that the general design has met with their approval? A. Yes.

Q. When your plan is carried out of removing part of Moffett's island on the south side what is your expectation about the effect on the St. Mary's current? A. I think Mr. Cowie has estimated that it would reduce it by one-half.

Q. That does not mean inclusive of his design for a bridge across? A. No.

Q. Upon that point, his design for a bridge from a point on the Montreal side across, as described by you in your statement to us, would practically make that bridge a dam on the Montreal side of St. Helen's island? A. What he calls an overflow dam.

Q. That simply means that the greater portion of the water would be expected to run off on the south side? A. Quite so.

Q. And the construction of that dam would make the whole of the present harbour a slack water basin? A. Yes.

Q. In fact there would be a certain amount of slack water that would make it very much easier for ships to come in than at the present time? A. Not only that, but at present there is no anchorage in the harbour for ships. The current is so swift that no ships can anchor unless they anchor in the channel, and that is a menace to the navigation of the river. When we get this slack water basin we hope to make regular anchorage areas within which a ship would be safe to anchor.

Q. There is one other subject that I want to deal with broadly and that is in relation to the contract for the floating dock made by the Board, with whom? A. With Vickers Limited as the firm is called now, but it was called Vickers Sons & Maxim when we made the contract.

Q. Is that an English firm? A. Yes, it is an English firm.

Q. Is your agreement made with the English firm on with the Canadian incorporation? A. The original agreement was made with the English firm and in that agreement there was a stipulation that a Canadian company would be formed, called the Canadian Vickers.

Q. To which the contract would be turned over? A. Yes, sir.

Q. And with which the Board would have its relations? A. Yes, that company has been formed and incorporated and the contract with the Canadian company has been signed by the Board.

Q. It was a Dominion incorporation I presume? A. I believe so.

Q. Do you know who are the shareholders of that company? A. Sir Montagu Allan I think is the president of it. Mr. F. O. Lewis is a director, he is Vickers' representative in Canada. I have not got the names of all the directors in my mind but I can give them to you.

Q. Are they Canadians in the main? A. I think they are all with the exception of two. The majority of them I think are Canadians.

Q. Do you know what the capital of the company is? A. Off hand I cannot tell you that.

Q. At the time the arrangement was made you say it was provided there was to be a Canadian company? A. Yes, that was provided in the agreement.

Q. Was it known to the Board what Canadians were likely to be interested in it at all? A. No.

Q. Has any member of this Board any interest in this company? A. Not that I know of.

Q. Of course you can only speak for yourself, you have not? A. I have not.

Q. Neither directly or indirectly? A. Neither directly nor indirectly.

Q. When was the contract made? A. May I go a little behind that leading up to it?

Q. Certainly. A. It was during the trip of Mr. Cowie and myself to Europe that Vickers Sons & Maxim were approached with reference to the possibility of their building a dry dock in the St. Lawrence and they were interested to the extent, in that project, of sending out a commission of experts to examine the conditions for building a dry dock. They examined the River St. Lawrence from Montreal to below Quebec. It may also be that the then Minister of Marine and Fisheries did invite the representative of Vickers to come here and at all events they did come.

Q. When you went to Vickers, Maxim & Co. you did not know the Minister of Marine and Fisheries was taking an interest in it with them. A. No.

Q. Did you report after you came back? A. Yes.

Q. Probably the first action was due to your report? A. I would not say that, but that probably is what happened.

Q. In any case it would be desirable to get him to join with you in urging it upon their attention? A. Yes.

Q. Vickers Sons & Maxim, now Vickers Limited, is one of the great ship building firms of England? A. Of the world.

Q. They specially have been engaged in naval construction have they not? A. Yes, the building of naval ships I think principally.

Q. Where is their headquarters? A. Their ship building works are at Barrow-in-Furness; their head office is in London.

Q. Well, they sent out their experts and what happened? A. They examined the river from Montreal to below Quebec, they examined it in relation to all possible conditions, the wages paid, the cost of material, everything, and they made a report to their own firm about the possibilities of inaugurating a dry dock in the St. Lawrence.

Q. Which report you have never seen I suppose? A. No, we have never seen it. That report resulted in their choosing Montreal for the scene of their operations in this respect. I refer to this because if Vickers had found other places in the river that was better adapted for the dry dock business that dry dock might never have come to Montreal. But, after making an investigation they came to the conclusion all around that Montreal was the best site on which to build it and that was the principal reason why Montreal got this dry dock. We got together again later on in an attempt to make an agreement and we ultimately did reach a basis of agreement which was the basis of the contract. Before any agreement with Vickers was arrived at, the Minister of Marine and Fisheries waas in London and he approached Vickers Limited to endeavour to get them to build a dry dock here. Mr. Ballantyne was in London at the time the Minister was there and together they interviewed the firm and then following that we were able to make the agreement.

Q. Which was negotiated here? A. Which was negotiated here.

Q. By you for the Board? A. Yes.

Q. And by whom for the other party? A. By Mr. F. O. Lewis and Sir Trevor Dawson as the managing director of Vickers Limited, in London.

Q. He came out here and I presume he interested those local men? A. He came out here and I dare say he did; I do not know anything about that.

Q. But the actual active negotiations were between you and Mr. Lewis? A. Well between the Board and Mr. Lewis; they were with me representing the Board in the negotiations.

Q. And of course the Harbour Board confirmed what you did from time to time and consulted with you from day to day and you were the mouthpiece of the Board? A. Yes.

Q. And with Mr. Lewis or Sir Trevor Dawson? A. Mr. Lewis chiefly. Sir Trevor Dawson came out and I saw him in connection with that and we saw the Minister and we saw each other, but the legal negotiations were carried on through the legal representatives.

Q. Who were there legal representatives? A. Smith, Markey & Montgomery.

Q. Who was your legal representative? A. Mr. Geoffrion at the time. The contracts were drawn up in that way.

Q. Has your Board a standing firm of solicitors? A. Yes, there is a solicitor appointed by the Board. The present solicitor is the Honourable Mr. Angers; the previous solicitor was Mr. Aime Geoffrion.

Q. He was your legal representative right up to the time of the recent election? A. Yes, right up to that time.

Q. And had he been for some time? A. Yes, for a few years.

Q. I presume you have a large amount of correspondence on the files concerning these negotiations? A. There is.

Q. Will you kindly let us see that? A. Yes.

Q. When the contract was made finally I presume it was reported to the government for approval? A. I am not sure whether the actual contract was presented

to the government before it was signed. It was signed in London; it was not signed here; it was signed by Mr. Geoffrion who went to London for the purpose of signing it for the Board.

Q. But prior to that and before deciding it, were the terms and conditions of the policy of it submitted to the Minister of Marine and Fisheries? A. They were all discussed with the Minister.

Q. Verbally or in writing? A. Verbally.

Q. Do you know whether an Order in Council was passed confirming the contract? A. I think there was.

Q. Broadly speaking, what are the terms and conditions of that contract? In the first place, the dock to be put there is what is known as a floating dock? A. Yes.

Q. And it is now being constructed in England? A. Yes.

Q. And it is to be brought across the ocean to this port in the coming month of June or July? A. Yes, we hope so.

Q. The scheme provided was that the basin for the dock and the protecting piers for the dock were to be constructed by the Harbour Commission? A. Yes.

Q. And the idea would be that everything except the dock itself was to be the work of the Commission? A. Practically; we were to create the site and the basin.

Q. That meant the actual creation of the site? A. Quite so.

Q. On the river side of the basin itself there was to be a protection pier? A. Quite so.

Q. Was that to be of cement? A. No, it is just earth filled.

Q. And that exists now? A. Partly so.

Q. Is it to be protected on the outside from the current? A. Yes, by what is called a rip-rap embankment.

Q. That is all you intend to put there, a rip-rap embankment? A. Yes.

Q. And between that pier and the shore there is to be a basin deep enough to allow the dry dock to be sunk under a steamer? A. Yes.

Q. Or to be sunk so that a steamer can come in over the floor of the dock? A. Yes.

Q. The depth of that will be what? A. Fifty feet deep from the ordinary level.

Q. That requires excavation, dredging? A. Yes.

Q. An approach is to be dredged from the channel? A. That is to be done by the Dominion government.

Q. The dredging of the basin itself is to be done by the Harbour Board? A. Yes.

Q. Is the other work now being done by dredges belonging to the Marine and Fisheries Department? A. Yes.

Q. Is the dredging of the basin itself now being done by your dredges? A. It is.

Q. You hope to have the channel and the basin ready by the time the dock gets out here? A. Not completely ready, but ready enough to receive the dock.

Q. What was the idea, can you tell me, of having a floating dock instead of an ordinary graving dock? A. The ordinary graving dock takes between four and five years to build and costs between four and five million dollars. A floating dock can be built within one year and a half and costs about something over one and a quarter million dollars. Hamburg has eleven floating docks of the kind we are getting for Montreal. The floating dock is gradually superseding the graving dock for commercial harbours, for the reason that they can build it cheaper and get it quicker, and it can be moved. For instance, if an accident occurred in Quebec, of such a nature that the ship could not come up here, these docks can go to the ship. In addition to that, this dock on account of having three cross-sectional caissons, becomes three docks according to the size of the ship. If we have a small canal boat that wants repairs, that boat can go in there and only occupy one-third of the dock, leaving the balance for two other boats of the same kind.

Q. Can that dock be closed off in sections? A. Yes, and in addition to that another section can be added to this dock if bigger ships than the dock capacity come here.

Q. What is the size of this dock? A. The lifting capacity is 25,000 tons and the length is 700 feet.

Q. That is big enough to care for the largest boat that now comes to the port of Montreal? A. The biggest boat that comes here now is 15,000 tons and this will give 10,000 tons leeway.

Q. What is the longest boat coming here now? A. 580 feet.

By Mr. Lake:

Q. And that dock can raise a ship drawing how much water? A. The dock is sunk to a level of fifty feet and the floor of the dock would be from twelve to fourteen feet above the fifty foot level; that would leave a water space of thirty-six feet.

By the Chairman:

Q. The vessel could project above that as much as she likes, so that there is no limit in that way? A. There is really no limit to the draught of the vessel.

By Mr. Ducharme:

Q. How high is the dock? A. I will hand you a picture now of the dock so that you can see it for yourself.

Q. Is the Harbour Board under contract to do anything more than provide the site of the dock and surroundings? A. No, we just provide the basin. That is indicated by the area of land coloured red on the map, and the government do the dredging of the entrance.

Q. Do you give any subsidies to the Company? A. None. The government gives a subsidy, as is shown in the contract between the government and Vickers.

Q. Can you tell me what that subsidy is? A. Yes, the Dominion government pays three and a half per cent on three million dollars for a period of thirty-five years.

Q. They pay that absolutely? A. Absolutely.

Q. Without regard to the question of profit or not? A. Yes, that is done under the provisions of the Dry Docks Act.

By the Chairman:

Q. They get three and a half per cent on three million dollars, without regard as to whether they make a profit or a loss on the transaction? A. Well, I do not know as to that exactly, but it is all set out in the agreement between Vickers and the government.

Q. Did the Board at any time endeavour to get other firms interested in this dry dock matter? A. Yes, we had the suggested plans for a dry dock by Swan, Hunter of Newcastle-on-Tyne, but nobody went into the problem in the way that Vickers did, by sending people out here and all that kind of thing to find out what was possible, and their information, of course, was the base on which they were able to make a proposition at all.

Q. And no propositions were put forward by the Board or by the government of a definite nature and requisitions sent out to the people to tender for it? A. Neither the Board nor the government had the information requisite to put out any proposition or to put them in a position to do so.

Q. The Board did not have it? A. We did not have the knowledge.

Q. What I was trying to get at was this: was the element of competition thrown into this matter? A. No, not on the basis of asking tenders; you could not draw up specifications for a dry dock.

Q. Why not? A. We did not have the requisite information to do it.

Q. You mean to say that your Board did not have the information? A. Neither the Board nor any one else here had the information.

Q. That could have been ascertained? A. Well, I do not know that it could.

Q. Well, after the signal success you met with in going over the continent of Europe and England and coming out here with a great scheme for developing this port you could have gone and seen the dry docks and made a specification? A. Well, perhaps our engineer could have drawn up a specification, naturally enough, for some kind of a dry dock, but we were not prepared to build the dry dock ourselves and we could not possibly know on what conditions other people would do it, besides there were other things connected with this and other questions to be taken into consideration.

Q. Outside of the Dominion Act, which was there offering a subsidy for a long time, the point I wish to get at is this: whether there was any broad, general invitation, a specific invitation, sent out to firms anywhere to make a proposition? A. To no one but Swan, Hunter, in Newcastle.

Q. Are they dry dock builders? A. They are shipbuilders and dry dock builders, as well. We told them that dry dock facilities in the St. Lawrence to meet the requirements of modern ships did not exist, and that the moment was very opportune for them to study the question and submit some kind of a proposition to the Harbour Commissioners or to the government for a dry dock. They did submit a proposition, which we looked into and which was not a feasible proposition at all.

Q. Have you the correspondence on that? A. I do not know that there is much correspondence about it, but the actual proposition is here and you can see it.

Q. I would like to see it. Is the Board in possession of any data, from which can be gathered the amount of shipping which is likely to need the services of a dry dock? A. Quite so, I can give you that in detail.

Q. I do not mean the amount of shipping that comes into the port, but as to how much shipping would require the services of a dry dock? A. There are twenty-two ocean vessels entering the port to-day of greater tonnage than any dry dock accommodation can provide, nearer than Halifax, Boston, New York or Newport News. If any one of these boats got injured in the St. Lawrence, there is not one of twenty-two that could be taken care of by any dry dock facilities now existing.

Q. These are boats frequenting the port? A. Frequenting the port and doing a regular business with the port.

Q. Have you any data to show what accidents have occurred to ships coming to the port, how many per year, for instance, which could not be attended to with the facilities now here? A. The loss of the *Bavarian* is the most flagrant example of a great ship that could have been saved from being a total loss if she had been able to get into dry dock at Quebec, but she was too wide for the dock there.

By Mr. Lake:

Q. As to the possible earning power of this dry dock, is there any data to show what that earning power would possibly be on the present traffic to the port? A. I do not see how you could estimate that. There is no dry dock alone, standing on its own legs as a dry dock, that pays in Europe any sufficient return on the investment. It is the repair work and the industrial activity that grows up around a dry dock that makes a dry dock possible from the point of view of a commercial investment.

Q. What do you mean by the industrial activity that grows up around a dry dock: how would that in any way pay the investors in a dry dock? A. I mean that there will be connected with this dry dock and growing up around it a ship repairing plant, a steel plant, a car-wheel plant, and all kinds of industrial establishments.

Q. Are these to be carried on by the Vickers Company? A. Yes.

Q. And you say the establishment of these would be directly due to the dry dock? A. No, and yes. They are forced to create an industrial centre here in order to make the investment in the dry dock part of a paying proposition.

Q. And do you say that these are industries, which, but for the dry dock, would not be undertaken here at all A. Quite so.

Q. That is your position? A. That is our position.

Q. Might it not be that these allied industries would be established in another section by somebody else possibly? A. Well, they never have been.

Q. But there is a need of them? A. There is.

Q. Would not that need have developed a means of supplying it in the usual way? A. In the usual way, yes, but it would not have come as quickly.

Q. Nor would they have been as connected or so close together? A. No. They do not undertake it, of course, but they advise us that when this whole proposition is working there will be at least two thousand men employed in that work.

Q. In and around the dry dock? A. Yes. Now, I would like to say this: that a dry dock proposition in Montreal or in the St. Lawrence was a particularly difficult one to interest anybody in, because the St. Lawrence is closed for five months in the year and the dry dock business here, is therefore only seven-twelfths of the ordinary dry dock working year anywhere else. All these conditions were obstacles over which some way had to be found, and the way in this case that was found was the suggestion of the development of this as an industrial centre.

Q. You would put it in this way: that this was a sort of agreement made under circumstances for which there was no precedent and that you could not found it on any estimates and put it up to competition? A. I do not see how it could be approached in that way at all.

Q. And, therefore, you had to make your bargain by negotiating between yourselves and the parties on the other side, and in that way you got what you thought was the best bargain under the circumstances? A. Yes. We supplied the basin and created the site. The site is of thirty acres made out of dredging from the river. I have not told you the whole of the story yet. We leased that site to Vickers Sons & Company at an annual rental of $18,000 a year for ten years, and after that at a rental of $7,500, plus an interest in their profits not exceeding $25,000 per annum.

Q. On their entire proposition? A. On the profits of the industries they carry on, on that thirty acres.

By Mr. Lake:

Q. And they could not make it pay unless they were prepared to carry on an industry quite apart from this dry dock altogether? A. Quite so. In my humble opinion, based upon the experience I have had in trying to negotiate for a dry dock, it would be an impossibility to get a dry dock here alone without some great works around about it, and Vickers Sons were the only people who happened to see their opportunity to do that.

By the Chairman:

Q. What you did was that you practically went out and found a great industrial concern in Great Britain, that was willing to start works in Canada, and incidental to that you offered them a site if they would put up in addition to their works a dry dock under certain terms? A. Quite so.

Q. And they have managed to form a Canadian company, who are going to do regular commercial business here, partly in connection with shipping and partly in connection with ordinary industrial development? A. Quite so. Let me tell you one more thing before we get off this subject. In addition to the rental and the share of the profits, which I have referred to, the port will have all the railway traffic from the new works over its railway system on the wharf, and then we will have all the wharfage dues besides.

Q. The material for creating that site is being dredged in the river outside of the site itself? A. Yes.

Q. And that will extend very much the present channel accommodation of the river? A. Yes, exceedingly.

Q. Has the dredging been going on? A. Yes, it has been going on for two years.

Q. And this map that is published with your report for last year, does it show the depths as they were at the end of last year at that part of the river? A. Yes, that is taken from the chart of the Marine and Fisheries Department, at the end of last year, so far as the depths are concerned.

Q. Have excavations enough taken place to create the whole thirty acres site? A. No, we have eighteen acres of site created now and we have twelve more to do.

Q. And you are proceeding with the excavation and the deepening of the water for that purpose, and you will have your channel improved? A. Yes.

By Mr. Lake:

Q. What will the creation of this site cost to the Commissioners? A. The whole thing will be something in the neighbourhood of one million dollars.

Q. Actual cost to the Harbour Commissioners? A. That is what we estimate it.

Q. And for that million dollars you will accomplish what you have told us? A. Yes.

By the Chairman:

Q. When you say it will cost one million dollars to construct the site, you are also receiving for that the benefit of the excavation of the river? A. Yes

Q. And which would have taken place in any case? A. Yes.

Q. I notice that the excavation, when it is completed up to the edge of the protection piers, will be in line with the quay wall of the harbour? A. In conformity with the bulkhead wall of the harbour.

Q. Running from the Sutherland pier north? A. Yes.

Q. Can you tell me what the depth of water at that flat place was before you commenced to excavate for this site? A. Yes, it was between eight and twelve feet.

Q. And in some places it has now got down to twenty feet? A. Yes.

Q. So that by the time you have completed the site with the excavation material, you will probably have that shoal ground excavated? A. We will have a great part of it excavated.

Q. And gradually widening the harbour at that section? A. Yes.

Q. While we are os that point, perhaps you could tell me from your knowledge as chairman of the Board, who ran the line, marked on the plan. "Future line of wall?" A. That, to the best of my knowledge, was done by the engineering department of the Montreal Harbour Board.

Q. Can you tell me what particular engineers were in charge of that particular work there? A. Mr. Cowie and his assistants.

Q. Do you know who are his assistants? A. Mr. Swan and Mr. Reid.

Q. I can get the names, without troubling you, from the engineering staff? A. Quite so.

Q. Did some trouble arise with the town of Maisonneuve about draining that place? A. Yes, the drain of the town of Maisonneuve came in here near Molson's creek. It originally ran there, but the town had built that without any authority from the harbour. It ran a pipe out into the river that bisected the site of the present basin, and if it had been allowed to remain there we could not have built the dry dock here according to the plans. We notified the town of Maisonneuve and required them to divert their sewage from here and send it out there (indicating). They did it before we filled this in, at a time when it could be done.

Q. I presume I could get a description from the engineering staff about the Maisonneuve sewer? A. Yes, they can tell you all about it. One of the big problems

we have to meet is this sewage question where all the sewage of the city enters the harbour. We have a case here where the main sewer of the city enters into the river between the Alexandra and King Edward piers in the very busiest part of the harbour, and that sewer pollutes the whole place. We have entered into an agreement with the city of Montreal to divert that and to take it back to Craig street.

Q. Who will do that? A. The nature of our agreement is that we have deposited one-half the estimated cost with the city, and they are to carry out the work and they are to take a lawsuit against the Commissioners, and the courts will decide whose duty it was to divert the sewer. That sewer will be taken back to the Craig street sewer, which deposits itself in front of the gaol in what is called St. Mary's current. To show what a menace to public health this sewage question is, I may say that when the ice is broken up in the winter time, there are two miles of sewage that have become part of the ice and that is set at liberty. The whole winter's sewage of this city gets to become part of the ice and is held up and when it is broken up in the spring that whole two miles of sewage is turned out all over the river.

Q. That brings us to a very important point, has the city of Montreal got for its sewage any sedimentary basin of any kind whatever? A. Not that I know of. I understand they are now going into a scheme which will take care of part of their sewage by some system of that kind.

Q. At the present time all the material that comes from the sewers of any kind and nature goes into the river? A. It practically is emptied into this great port.

Q. And goes down the river and may foul the shores of the river anywhere? A. Absolutely.

Q. So that all the parishes and settlements below here may be all polluted by the sewage of Montreal? A. That is so.

Q. And is the danger of that emphasized by the fact that in the winter time the sewage gets into the ice? A. Yes.

Q. I suppose the salvation of the river shores to a large extent has been in the rush of water in the spring scouring and cleansing and carrying everything with it? A. Yes

Q. But that means, I suppose, that in the ship channel and along the shores there would be a great deposit of filth from the sewers? A. Quite so. It is in the frazile ice that the sewage gets caught, and the frazile ice is not a solid cake of ice on which the sewage could be carried away. This ice is breaking up and consequently the sewage is practically being deposited in the water and not carried away be the ice.

Q. A great many cities now have sedimentary basins in which the solid parts are precipitated before the liquid is allowed to float off, and there is nothing of that kind in Montreal at present? A. Nothing at all.

Q. All the front of the river, through which the sewage outlets of Montreal go, belongs to the harbour and is under the jurisdiction of the Board? A. Yes.

Q. Just a word with reference to this map we have been talking about; I observe that there is still a portion outside of Isle Ronde that is shallow between that island and the Montreal side, is that being dredged at the present time? A. That is being dredged by the Marine and Fisheries Department, which is the dredging authority in the ship channel.

Q. Does that ship channel, as you call it, extend right up to the piers at the opening of the Lachine canal? A. By a curious situation under the legislation, pertaining to the Harbour Commissioners their jurisdiction dies not extend to the ship channel which runs right through their own harbour. The ship channel is under the direction of the Marine and Fisheries Department.

By Mr. Lake:

Q. And the dredging of that channel, although it is in the harbour itself, is paid for out of the appropriation for the St. Lafrence ship canal? A. Yes.

By the Chairman:

Q. And the dredging that is now going on in the ship channel, in the situation I have referred to, is under the control of the Marine and Fisheries Department? A. Yes.

Q. Are they dredging there at present for the purpose of widening the ship channel, or simply to remove some obstruction? A. They are dredging there for the purpose of widening the ship channel. There is another government dredge doing some work near the wharfs at Longueuil on the south shore. Our authority extends there but it is the Public Works Department dredge that is doing that work at Longueuil. There is also another Public Works dredge doing some work within the confines of the harbour.

Q. So that there are at the present moment three different authorities doing dredging within the confines of the port of Montreal? A. Yes.

Q. There is a Public Works Department dredge doing some work near the wharfs on the south shore, both below and above St. Helen's island? A. Yes.

Q. And the dredges of the Department of Marine and Fisheries are doing work on the ship channel? A. Yes.

Q. And the Board's own dredges are at work also? A. Yes.

Q. What do the Board's own dredges devote their attention to in the way of dredging? A. Most of the Board's dredges at the present time are at work on the dry dock basin. Outside of that we have always a little cleaning up to do of the stuff which silts in. Each year we have to sweep the harbour so as to be sure that the recognized depths are maintained and where we find the berths not according to the standard, we dredge them.

Q. Not including the ship channel? A. Not including the ship channel.

By Mr. Lake:

Q. What is the system of sweeping the channel? A. Each spring, and once during the season of navigation, all portions of the harbour other than the ship channel are swept by the Harbour Commissioners to guarantee that the depths shown on the chart are maintained. The sweeper consists of a good-sized scow, under the bottom of which is lowered a steel bar connected to a gauge to record the depth. This boat covers the areas of the harbour. The gauge indicates whether the harbour is of the standard depth. Where the depths are found not as shown on the chart the harbour dredges proceed to the spot and dredge it to the necessary depth.

By the Chairman:

Q. Can you tell me whether your experience has shown that there is much deposit taking place in the harbour? A. In the basin there is always a little from the ship's depositing theirerefuse which, of course, is against the harbour regulations, but which is done almost universally over the world, notwithstanding the law against it.

Q. Is there any deposit from the sewers? A. Where the sewers come in there is dredging to be done extensively in the spring and in the fall. It occupies one-third of the whole plant of the harbour for probably two weeks in the spring and two weeks in the fall.

Q. Do you charge that against the municipality? A. We charge that against the city, but the city has not paid for it. That is one of the things in controversy between us and the city.

Q. You have an outstanding account against the city for that amount? A. We have.

Q. Outside of that deposit which you have described is there much natural deposit in the harbour from sediment coming down the river? A. There is practically none.

Q. I am told that the water of the St. Lawrence when it reaches the river here,

has practically deposited all its sediment and is a clean water? A. The scour of the current in one way continuously acts as a cleaner of the channel.

Q. And the natural water as it comes over the rapids here is very clean? A. I should say it was.

By Mr. Lake:

Q. Has the Montreal Harbour Board always been able to meet the interest on the money loaned to it by the government? A. Yes, sir, the interest has always been met. I understand that this year it amounts to $550,000.

Mr. Stephens says that the claim of Lyall for damages in connection with the steel shed contract, amounted to $695,568.79 on the 9th of January, 1907; that Lyall & Sons submitted a detailed claim for this against the Commissioners; that the Board appointed the three gentlemen already named to advise upon the claim made by Lyall and they, after examining into it, submitted a report in which they recommended a payment of $335,000 and that Lyall & Sons agreed to accept that amount.

By the Chairman:

Q. Lyall & Sons were not represented on that Board, as you call it? A. No

Q. They did not appoint any one of these three men? A. No.

Q. I presume at the time they were appointed, Lyall & Sons were not bound to accept their decision? A. They were not.

Q. These gentlemen acted simply as an advisory board? A. Yes. The amount of the claim was so great and the details so extensive, that if we had gone into it ourselves we simply would have to close ourselves in and do nothing else. At all events we did not feel we were competent to do it, and we created this commission.

Q. You simply created a committee which you appointed yourselves for the purpose of examining the claim and advising you.

By Mr. Lake:

Q. Do you remember if Mr. Kennedy at that time repudiated any liability on behalf of the Harbour Commissioners? A. I do not recollect that, there may be something of that kind.

By the Chairman:

Q. Anyway, you appointed this committee of our own, you selected them, and they recommended the payment of this amount and Lyall & Sons agreed to accept that? A. Yes.

Q. Did Lyall & Sons agree at once to accept it or were there prolonged negotiations? A. There were prolonged negotiations about the matter. We had the advice of our own committee in our hands before we called Lyall in. Then we offered Lyall a less amount than the committee had found for but he did not accept. We thought we might be able to make a better bargain for the commissioners, if we did not tell the amount of the award, but we found we could not do so.

Q. There is always a possibility that Lyall knew what the amount of the award was? A. He may have known but we did not know that.

Q. You do not know that he knew? A. We did not know.

Q. When you offered a lower amount, he refused; did he name any other amount? A. No, we finally named, as an ultimatum, an offer of the amount that was mentioned in the committee's report to us.

Q. Did he accept that at once? A. No.

Q. You did not offer to pay the whole amount in cash; one hundred thousand dollars was to be retained and paid to him during the progress of the balance of the work? A. It must be remembered that his work was at a standstill and we did not know whether he was going to get on with the job or leave the commission to get

some one else to do it. As a guarantee to the Commissioners that he would finish his job, we made him leave $100,000 with us.

Q. He went to work and finished the work? A. Yes.

Q. Did the whole $335,000 that was paid represent a claim for work done and a balance due, or was it for some damages in connection with the contract? A. There had been very great delay and so many changes since the contract was let, that in the meantime prices of material had advanced, labour had become more expensive, and conditions generally changed, so that the work could not be actually carried out by Lyall at his original contract price and he claimed damages for that.

Q. And after that, it was claimed by him that the Board was responsible? A. That is what his claim was in that respect.

Q. And that the neglect had been through the fault of the Board? A. Yes.

Q. I want to ask you concerning some increases of salary which took place to some of the staff. In February, 1911, increases of salary were made to Mr. Swan, Mr. Britzski, Mr. Harvie, Mr. Roberts, Mr. Gagnon, Mr. Ruel, and in August, 1911, there were advances to Harvie, Britzski, Roberts, Fennell. Then on the 1st of January, 1912, there were increases to Swan, Smart, Gagnon, and Ruel? A. Yes.

Q. Mr. Britzski is an engineer? A. He is a draughtsman, I think.

Q. What is Harvie? A. He is an outside engineer and draughtsman.

Q. What is Roberts? A. Roberts is a man who takes levels. He is on the engineering staff.

Q. What is Gagnon? A. Gagnon is a draughtsman and structural steel engineer.

Q. And what is Ruel? A. Ruel was a draughtsman, I think.

Q. Is he in the service of the Board now? A. I do not think he is.

Q. Are the others in the service of the Board? A. Yes.

Q. What is Mr. Fennell? A. He is acting secretary of the Board and he acts as my secretary.

Q. And Mr. Smart? A. He is an accountant in the engineering department.

Q. The whole of those I have named are connected with the engineering department? A. With the exception of Mr. Fennell.

Q. Upon whose recommendation were the increases of the salaries, leaving out Fennell, made? A. Largely on the report of the chief engineer.

Q. Do you know, as a matter of fact, whether there was a written report in each case recommending the increase? A. I think there was.

Q. I do not want to press you on the matter if Mr. Seath, your secretary, can give the information? A. Mr. Seath can give you all that, but I can tell you myself in a few minutes and it will save you the trouble. Take Swan for example. Swan is a man who came out here from Bristol, England. He was a man that both Cowie and myself saw in Bristol on the works. He had special experience in harbour work. He came out here as resident engineer three years ago I think.

Q. How old a man is he? A. He is a man of about 36 or 37 I should think.

Q. Is he married? A. He is married and brought his family out here and lives here.

Q. A civil engineer by profession? A. Yes. He was outside engineer for the whole of the Bristol development works and had a splendid record and he is a thoroughly capable, pushing, and able man.

Q. Well recommended? A. Well recommended.

By Mr. Lake:

Q. He was engaged in the creation of that harbour at Bristol? A. Quite so, he came fresh with all his experience in that port just at a time when we wanted a man of that kind.

By the Chairman:

Q. What was his salary at the time? A. $3,000 and that has been increased to $3,500, and later to $4,500 because we could not hold him otherwise.

Q. Has he been a satisfactory man? A. Absolutely, with this exception, that he does not speak French which is a drawback and he sometimes gets into trouble with our French Canadian employees from that fact.

Q. Is it your opinion that he is an able engineer? A. My opinion is that he is the ablest engineer of his kind in the country, in Montreal or anywhere else in Canada. I do not know any man who has had the experience he has had.

Q. And he is attentive to his duty? A. Absolutely.

Q. A sober man? A. A sober man, a man of the highest character in every way.

Q. The Board is pleased with him? A. Yes, he is absolutely satisfactory, and the Board is pleased in every way with him.

Q. Was there any agreement when he came out as to future increases of his salary? A. No, I think not.

Q. How does his salary compare in your opinion with the salaries paid to other men of his standing in other departments of engineering activity? A. Well, he has been offered a great deal more money by contractors in the city here to leave us.

By Mr. Lake:

Q. Do you know that yourself? A. I know that. He has been offered a partnership in one of the highest contracting firms we have and that offer was made to him from their observation of what he has done here and his increases of salary have very largely been made—well, I will take the responsibility of it myself if nobody else wants to—his increases have been made to keep him here.

Q. Your Board has been unanimous in favour of him? A. Oh, absolutely, yes.

Q. Well, you do not have to take any responsibility for that because a good man is entitled to be well paid? A. Why, certainly he is.

Q. Well now, we will take the next man, Mr. Gagnon, what about him? A. Mr. Gagnon came to the Commission from the Dominion Bridge Company where he had had a very special and particular training in structural steel work and we have a lot of that structural work to do. The services of a man with that experience is very necessary to the office here. Gagnon has a natural ability for that kind of work.

Q. He is a very well qualified man? A. He is.

Q. He got an increase of salary of $200 making his salary $2,000? A. Yes.

Q. And on the 1st January, 1912, he got $200 more, making his salary $2,200? A. Yes.

Q. The next man I find on the list is Mr. Harvie who got $100 increase in February, 1911, making his salary $1,500 and $300 increase in August, 1911, making his salary $1,800, which it is at present, why were there two increases in the one year? A. Just to hold the man and keep him here.

Q. Tell us about him? A. Harvie is one of the best sub-engineers we have got under Mr. Swan and Mr. Cowie. In the report these gentlemen make to the Commissioners he ranks very high and does very good work and very often these men who are first-class men on any job are tempted away by others who want to get their services.

Q. How old a man is he? A. About 30 years, I should think.

Q. Married? A. I am not sure.

Q. A civil engineer by profession? A. I think so.

Q. What would you say about his present salary, is it too much? A. No, it is too low even at the present time, comparing it with what men like him get in commercial life.

Q. You are satisfied of that? A. Yes.

Q. And are you satisfied with the discharge of his duties? A. Absolutely.

Q. Mr. Britzski got $100 increase in February, 1911, making $1,500, and $300 increase in August, 1911, making $1,800, what is the explanation of that? A. That is the same explanation as in the case of Mr. Harvie. The reason for his receiving these increases is the same as in the other cases.

Q. How old a man is he? A. Britzski is a man of about 32, I should say.

Q. Married? A. I think he is.

Q. What do you say as to his competency? A. He is the best draughtsman that the engineering department has.

Q. Has he any weaknesses with regard to doing his work? A. Not so far as I know.

Q. Do you know of any complaints concerning his work in May or June, 1911, with regard to attempting to draw a line to connect the Tarte wharf section with the dry dock cribs? A. No, I do not.

Q. Did you hear of any undue delay in that matter or anything of that sort? A. No, I never heard anything about it in any way.

Q. Do you know whether he had anything to do with the Racine wharf? A. There has not been anything done very much with the Racine wharf except to extend the railway down there. There is a wharf alongside of it here that was built for the King Edward Park Company, he probably had something to do with that; it is an extension of that wharf.

Q. You have heard no complaints in connection with his work in any way? A. No, I have not had any complaint of that man in any way. I understand him to be a first-class official of the port.

Q. You say with regard to him that you are satisfied with his proficiency? A. Quite.

Q. You are satisfied with him in every way? A. Yes.

Q. Would you give us a little description of the duties of Mr. Fennell? A. He is assistant secretary to Mr. Seath. Mr. Seath is secretary and treasurer to the Commission and Mr. Fennell is assistant secretary to the Commission. He also does my own correspondence in connection with the Board.

Q. He is in one sense private secretary to you as manager of the Board? A. That is exactly it.

Q. How old a man is he? A. 28 or 29.

Q. Married? A. No.

Q. How long has he been with the Board? A. He was Mr. John Kennedy's secretary before he became secretary to the president.

Q. Then he is connected with this work for several years? A. Yes, and he has a comprehensive knowledge of the office work, greater than any other man outside of Mr. Seath; he is a very valuable man.

Q. Very efficient? A. Thoroughly efficient.

Q. Attentive? A. Attentive in every way.

Q. Good character? A. Good character.

Q. What do you say about his pay? A. I say it is very moderate for the work he does.

Q. It is $1,800 a year now, he received an increase of $300 in August? A. Yes.

Q. You speak of course with a pretty complete knowledge of the prevailing commercial prices? A. From time to time we check up our own prices with the prices paid by big industrial concerns here. We get information and we are satisfied that our prices are moderate.

Q. Mr. Ruel left you some time ago? A. I really do not remember when he left or whether he has actually left or not but I have not seen him around lately.

Q. You do not know anything at all about him? A. No.

Q. What does Mr. Smart do? A. Mr. Smart is the accountant of the engineering department and he has been so for many years.

Q. He got an increase in salary of $500 on the 1st of January last? A. Yes.

Q. What is his present salary? A. I think it is $2,500.

Q. How old a man is he? A. 38 or 39.

Q. Is he an efficient man? A. He is a very efficient man; he is a man that is here all the time night and day.

By Mr. Ducharme:

Q. Where is Mr. Swan just now? A. At this moment do you mean?

Q. Yes. A. He is up in his office; I do not know exactly where he is but he is on duty.

Q. Have you any knowledge of the payment of this balance of $300,000 to Mr. Lyall? A. In what way?

Q. As to when the balance was paid? A. I think it was near the end of this contract.

Q. Have you any special recollection as to that? A. No. Of course it was some time after the first instalment had been paid.

Q. Were there any works on the wharf that you had to do over again because they were not properly done? A. There were some changes made.

Q. Was there any unfair discrimination made in the salaries paid to the men? A. No, of course when you increase the salaries of one or two on your staff and don't increase the salaries of the others there are always those who will say that some one was overlooked.

Witness retired.

The Commission adjourned.

MONTREAL, MAY, 23, 1912.

The Public Service Commission continued its inquiry into the Montreal harbour in the offices of the Harbour Board of Montreal.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A. D. SWAN, Assistant Chief Engineer of the Montreal Harbour Commission, sworn.

Examined by the Chairman:

Q. How old are you? A. Thirty-nine.

Q. English? A. Scotch.

Q. When did you come to Montreal to take up your official position? A. About three and a half years ago.

Q. What is your present salary? A. $4,500 a year.

Q. What was it when you came out here? A. $3,000 a year.

Q. By profession you are a civil engineer? A. Yes, sir.

Q. A graduate of what? A. I was educated in Dundee, Scotland, and attended the University classes there, and then served four years pupilage under the old-

fashioned apprenticeship there. From there I went on to harbour construction in the Firth of Forth. I was two years with the resident engineer there and had a good deal to do with the different small harbour works. Then, I got up a plan for the new harbour at Burned Island. I was afterwards seven years second man in the way of preparing all the parliamentary plans and working drawings which all passed through my hands for the new harbour and dock at Burned Island. The chief engineer was Thomas Mick & Sons of Westminster, London; I joined their staff at the time of the new works and they appointed me second man and I was there for seven or eight years on their actual construction.

Q. Were those harbour works admiralty works? A. No, they were under the direction of a harbour board, but they were really financed, I believe, by the North British Railway Company. They were under the control of what was known as the Burned Island Harbour Board.

Q. That harbour was for ordinary commercial purposes? A. Yes, principally coal exportation. I was retained then to go as Chief Resident Engineer on the new dock works at Hull, Yorkshire. There was some delay in the starting of them and Sir Benjamin Baker, who was the chief consulting engineer, having appointed me to that work, asked me to go to Bristol to take charge of the staff there and prepare the whole of the contract drawings and plans for the new harbour works at Bristol. I took charge of that up to the time the whole job was read to begin. I had a staff of eighteen or twenty assistants there and we did all the preliminary work. Then, on the completion of that, instead of sending me to Hull, they asked me, at the request of the corporation of the city of Bristol to remain there. I remained at Bristol for the first four years of the contract. I was second man on the works at first and then I was changed and made chief for the last three years. During that time, altogether, extending over eight years, taking it on the average, we spent about $10,000 a day. That was about the work I have done. I had a staff of probably twenty assistants under me. When I was second engineer, I used to see my chief about once in two or three months so that there would be a good deal going on under my charge alone. At the completion of the work there I was engaged by the Harbour Board of Montreal, who had been to Bristol and had seen the work. Lord Strathcona was also there and also the late Prime Minister, Sir Wilfrid Laurier, whom I met there and it was practically arranged, at least it was considered at the time of their visit there, that I would come out here, but there was nothing said about it until I was afterwards appointed. That is roughly my experience.

Q. Since you have come out here, you have been next to Mr. Cowie in rank in the office in the engineering department of the Montreal Harbour Board? A. Yes, sir.

By Mr. Ducharme:

Q. At what age did you get your diploma as civil engineer? A. There is no actual diploma in England or Scotland as civil engineer. After a man has served a regular pupilage there of three or four years, as the case may be, then he is called a civil engineer. There is actually not any diploma of civil engineers in Europe.

Q. And no examinations either? A. Oh, of course, there are numerous examinations which I have passed, and I am at this moment a full member of the Institute of Civil Engineers of England. I am also a full member of the Institute of Mechanical Engineers, and I am also a full member of the Canadian Society of Civil Engineers.

Q. When did you pass your last examination? A. I have not passed any examination since I left college.

Q. When would that be? A. About eighteen years ago.

By the Chairman:

Q. Under the system that obtained when your were a young man, and that still obtains in England, a man is articled to a firm of engineers? A. Yes.

Q. And serves a regular apprenticeship? A. Yes.

Q. And then he gets his papers from that firm? A. Yes, certifying that he is a trained civil engineer.

Q. And then he is admitted, if he wishes, to the Institute of Engineers? A. Yes, after he has had many years' experience in responsible positions.

Q. He is not admited until he has done actual work in responsible positions? A. That is so. In fact, it is only recently that I was admitted a full member of the Institute of Civil Engineers in England, and that is considered one of the strictest professional societies in existence anywhere. You have to be actually fifteen years proven to be in a responsible position in charge of work before you are admitted to be a full member of that society.

Q. The reason why my colleague asked the question about a diploma is that our engineers in this country usually get a diploma from a university or educational institution. They do not serve an apprenticeship in this country as they do in England? A. You are taught your profession practically there. I would have probably half a dozen pupils under me and each one of these would pay £300 to £500 to be taught their profession, and they would not be paid any salary at all for the first three or four years. You have to be paid to be taught your profession in England, and during that time you are paid no salary. I may mention that I have all my diplomas, of course.

Q. I just wanted, by way of introduction, to get that on the record; would you tell me what in general is the line of duties which you have to perform under Mr. Cowie? A. All the working detailed drawings are prepared under my supervision and the quantities are taken from these drawings for the ordering of material, and the whole work outside is carried out under my supervision.

Q. And under your direct personal inspection? A. I personally direct the work myself.

Q. You pass over the work that is going on under your subordinates from time to time and see that everything is all right? A. Every day, during the construction season, I am around the work with my leading foreman, and, if possible, with other assistants under me, but always with my leading foreman. I give him instructions exactly how to do things, to direct the men whether we are going to start this job or the next job, and how it is going to be done, and generally I keep an eye as far as possible upon the whole programme of work right from beginning to end.

Q. Your position is such and your familiarity with the work is such that in case Mr. Cowie has to go away for a time, as he is at the present moment, the works of the harbour go right on without interruption? A. Oh, most decidedly.

Q. Practically in connection with all these details of preparing plans to carry out the policy which has been decided upon, and the actual work which is going on, that comes under your supervision? A. Yes, sir.

Q. Then, each of these subordinate engineers is answerable to you? A. Yes, practically. There is one, or, there are practically two, of the men in the head office who are more directly concerned with the harbour work, and so on; every member of the staff is supposed to be under me.

Q. Now that you have the title, your position will be recognized as the deputy of the chief engineer? A. That is so, sir.

Q. But in the engineering staff, there are a couple of men who remain in the office all the time? A. Yes, but of course they are under my instructions when I come into the office. I generally come into the office for two or three hours every day, the rest of the time I am entirely out on the works, going from one place to another in the various little branch offices.

Q. Who are your chief assistants in order of seniority, who is your first assistant? A. There are two or three on the same standing. The work is scattered over such a large area, an area of five miles, that I arrange so that there is one assistant at each

place, whom I make responsible for the setting out of the work. Instead of having the assistants covering one another, I give one man his limits and then another man his limits and so on.

Q. Who are they? A. Beginning at the west end, shed No. 16, Mr. Gagnon is the assistant there. Then, the other part of the work below that is given to Mr. Harvie beginning at the market basin; he has one or two juniors under him. Then, down at the dry dock work and during the winter months and spring he was engaged fleet, there is Mr. Reid, who is leading assistant outdoors, changing the fleet about, the tugs and fleet of dredges and so on.

Q. What is Mr. Ryan? A. He was engaged about six months ago to begin with, down at the dry dock work and during the winter months and spring he was engaged in the office up here; he is in the office at this moment.

Q. When you say he was engaged, what do you mean? A. He joined the staff.

Q. He has been steadily employed since he joined the staff? A. Yes, sir.

Q. You had a Mr. Ruel employed at one time, what was he? A. He is still employed; he was junior draughtsman in the office upstairs. Recently, I sent him out to assist Mr. Harvie on the outdoors work, more particularly at the market basin.

Q. Then you have a Mr. Leclaire? A. He is more of a steel structural man; he had to do with the drawings; he is a steel work designer in connection with the sheds; he is entirely in the office.

Q. Does that comprehend the whole engineering staff? What about Mr. Roberts? A. Roberts is a sort of superior rodman. He was and is officially on the books as a rodman. He is a sort of glorified rodman; he is rather too good for a rodman and not good enough for an engineer; I would call him a junior assistant engineer; he has not graduated but I suppose he is working up.

Q. He is working up? A. Yes, he is gradually working up.

Q. Does that complete the engineering staff or have you some other assistants? A. There is another junior assistant engineer with Mr. Britzski on the dry dock. He joined only two or three days ago. He has been a pupil here for several years; he is a French boy, his name is Gratton. He has worked here and has received a few months training during the summer time for two or three years.

Q. He has only been put on the staff within the past three or four days? A. Yes, but he worked during last summer for several months and also during the summer before.

Q. What do you call him now? A. Junior assistant.

Q. What salary is he getting? A. I am not quite sure, but I think it is seventy dollars per month.

Q. What is he doing? A. He is assistant to Mr. Britzski assistant in setting out the works and giving levels and so on. That is the complete staff so far as I remember.

Q. I do not want to go over each one of them, but might I ask if all these men are quite satisfactory in their work? A. There is one man who is under notice from the Board now, and I think he leaves in a week or two. He is a man who has only been a short time on the staff and his work was rather disappointing. As a matter of fact, it is to fill his place that this new man, Gratton, started two or three days ago.

Q. Who is the man under notice? A. Ryan.

Q. What has been the trouble with him? A. Inability. He is a very decent fellow, there is nothing wrong with him.

Q. Is there any trouble with any other member of the staff? A. No, sir, all the rest are fully qualified men, at their work.

Q. We have heard some little evidence with reference to Mr. Gagnon, some complaints of his alleged inattention, his alleged non-attendance, perhaps I had better put it, have you anything to say on that point? A. He is one man that comes rather more directly under Mr. Cowie than under myself, and in that way I have very little to do with him. There is no denying the fact that he is a little lax in that way.

Q. You spoke of him as being in charge of the first division under you? A. Yes, shed No. 16.

Q. How is it that he does not come under your direct observation? A. That is contract work; that is the only bit of work that is done by outside contractors.

Q. Is it a shed that is being built? A. Yes.

Q. Who by? A. Peter Lyall.

Q. Is that part of their original contract for sheds? A. Oh no, sir, that is a new contract.

Q. And is now being built by contract it is under the supervision of Mr. Gagnon, who reports more directly to Mr. Cowie than to you? A. Yes, sir.

Q. Mr. Cowie would be the best witness as to that? A. I would suggest so.

Q. I would like particularly to ask you concerning a Mr. Britzski that you have on your staff; what have you to say about his professional work and his qualifications? A. He is a very good man. Mr. Britzski I consider a first-class man, thoroughly trained, fully qualified in every respect. I should say he is one of the best draughtsmen and designers that one could possibly get. He is a man in whom I have every confidence; he has seen a great deal of work.

Q. His name is peculiar, what is his nationality? A. I do not know, he is a British subject; I think his father or his grandfather was an Admiral in the British Navy; he was educated at Edinburgh and Cambridge Universities.

Q. We may generally speak of him as being British? A. Oh, yes, most decidedly.

Q. Do you know how long he has been a member of the engineering staff here? A. About three years; he came on the staff here when we were preparing all the drawings and during the first six or nine months it was entirely indoor work preparing all the drawings; he joined our staff then.

Q. That was shortly after you joined it? A. Yes, sir.

Q. So that his connection with the Board has been entirely under your observation all the time? A. Yes, sir.

Q. And you say what you have said, in reference to his qualifications, as the result of your observation of him? A. Yes, sir.

Q. Have you had, at any time, occasion to find fault with some of his work? A. None whatever.

Q. Have you ever noticed that he has been unduly slow about his work? A. No. He is very careful, exceedingly careful; he is the most careful man on the staff.

Q. And I presume that is a very important qualification? A. Oh most decidedly so

Q. It may mean a tremendous lot of waste if he is not careful? A. Oh most decidedly. He is very deliberate, and probably to outside people who do not appreciate his carefulness and the absolute accuracy of his work he might appear slow. I would trust him—in fact he is the best mathematician on the staff of the Harbour Commissioners, there is no question about that at all. He is a most fully qualified man to do careful calculations. He is the best man I know to deal with things that require to be carefully and quietly gone into. He is a fully qualified man, a man of very considerable experience, and well trained.

By Mr. Lake:

Q. I suppose he had long experience before he came to you here? A. Oh yes, he was on a railway in Canada for some two or three years; I think it is called the Gaspé Railway, he was connected with the Gaspé Railway terminal work. I do not know who his employer was but it was some Canadian company and he was on that work for about two years. He was chief man in charge of the survey, camping there during the winter and so on. When he was in England he was working in the service of a Royal Commission as their second man, dealing with the London traffic,

and he was specially selected by them because of his carefulness and reliability. His work, as a draughtsman is a treat to be seen.

Q. Did you have anything to do with drawing some lines connecting the Tarte wharf with the dry dock site? A. I do not understand that.

Q. I cannot very well define it for you myself, because I have only a general statement in some notes here about it? A. We made a railway bank last year from the Tarte pier to the dry dock.

Q. Did Mr. Britzski have anything to do with laying down that line or locating it? A. There was not much location about it.

Q. I have no definite information about it and the best I can do is to read to you from a very poor note in reference to it which I have here. This note refers to Mr. Reid, who is Mr. Reid? A. Mr. Reid is an old servant on the staff here, a sort of assistant marine man. He does the sweeping of the channel and supervises the sinking of the cribs and generally places the dredges and there is hardly a thing that Reid does not have something to do with. He does the whole of the testing of the channel; he is really supposed to be second assistant to Mr. Yale, the marine superintendent.

Q. I have some memorandum of complaint here about the drawing of a line which would connect the Tarte wharf to the front of the cribs for the dry dock? A. Yes, I suppose that line indicated on the map.

Q. That line was not physically drawn, was it? A. No.

Q. It was only done on the maps, I suppose? A. I presume so.

Q. Do you know anything about a line having been drawn there? A. No. That line on the map was the original base line.

Q. In building the protection pier for the dry dock site the foundation was made of crib work? A. The foundation of the wall was on crib work.

Q. Before that cribwork could be put in place it was necessary to dredge the site? A. Yes.

Q. The cribs were built up near the sawmill of the Board at the entrance to Windmill Point basin? A. Yes.

Q. These cribs were made as high as it was safe to make them at that place and then they were floated down the river to the site which had been prepared for them? A. Yes.

Q. Then, they would be towed into their proper position and sunk A. Yes.

Q. And then they are built upon with a concrete superstructure? A. Yes.

Q. While the cribs were being built in 1911, near the sawmill, the work or dredging the site for the cribs was going on? A. At what time of the year was that?

Q. In May, it is said that Mr. Britzski went down and passed the summer there? A. Yes.

Q. In May and June he was drawing lines, according to this statement? A. Yes, we were not ready to sink the cribs until September of last year.

Q. In the beginning of 1911, Mr. Britzski occupied a temporary office at Molson's Creek and was in charge of the work at the dry dock? A. Yes, sir.

Q. He would have to lay out the lines which the piers were to occupy? A. Yes.

Q. And where the excavation was to take place? A. Yes, sir.

Q. That would occupy considerable time? A. Oh, yes.

Q. Were the cribs, as a matter of fact, ready to go on the site at the time the excavation was finished? A. Yes, because they were simply prepared—you see you cannot sink the cribs until the water reaches a certain level; you cannot sink the cribs until pretty well on in the season when the water gets low, and when the water reaches a level of about five feet above extreme low water. If there is five feet above low water you can commence to sink the cribs, so that it means you cannot commence crib-sinking as a rule until probably about August. That is the rule; there might be exceptional cases.

Q. Were the cribs ready to be sunk at the time the water had got that low? A. Oh, yes.

Q. Then there was no delay in crib-sinking because of slowness in preparing the site for them down at the dry dock? A. Certainly not. I did not begin making these cribs, as far as I remember without looking at my record, until July.

By Mr. Ducharme:

Q. The charge made is that these cribs were started to be constructed late in the season on account of Mr. Britzski having taken up his time uselessly in drawing lines at the dry dock? A. It is absolutely not the case.

By the Chairman:

Q. There are two elements mixed up there; the delay in drawing lines at the dry dock would have nothing whatever to do with the construction of the cribs at the sawmill? A. No.

Q. That would go on nevertheless? A. Oh, yes, quite independently of the drawing of the lines.

Q. The only delay the drawing of the lines could occasion would be in not allowing the excavation to be done in time? A. Yes.

Q. If there had been delay in drawing the lines it might interfere with the excavation? A. It might.

Q. As a matter of fact it did not? A. It did not. The line to form the future line of the wharf wall shown on the plan attached to the annual report of the Board, had to be set out very exactly, so that when it came to be built it would be in the same straight line as all the other piers, all the other piers and bulk-head work of the harbour scheme.

Q. That line was set out by Mr. Britzski? A. Yes. Then, from that line was set out the inner line of the protection pier next to the basin, and then from the inner line of the protection pier next to the basin was set out the whole line of the basin wall.

Q. And all that was done by Mr. Britzski? A. The whole thing.

Q. And you say that would be very accurate and particular work? A. That is work in which very great accuracy indeed is required.

Q. Was he unduly long in doing that in your opinion? A. Not at all.

Q. What was the quality of his work on that, so far as you have observed? A. It is first-class work.

Q. Was the work good? A. The work was good.

Q. Have the plans made of that work been satisfactory to you? A. Yes, sir.

Q. And up to the present moment have you had the slightest reason to find any fault with the work? A. None whatever.

By Mr. Ducharme:

Q. Was the construction of these cribs under the supervision of Mr. Britzski? A. Not at the sawmill, but after they got to the site they came under his jurisdiction.

Q. Who superintended the construction of the cribs? A. The plans were prepared in the office here beforehand.

Q. Mr. Britzski was in charge of the work on the dry dock? A. Yes.

Q. And you ordered the construction of the cribs and fixed the day at which they should be ready? A. I did.

By the Chairman:

Q. Mr. Britzski would not have anything to do with the cribs until they were to be placed in situ? A. Not until they arrived down there.

Q. Then in the placing of them on the line and in the completion of their construction on the work that was going on, he would be in charge? A. Yes, sir.

Q. Is Mr. Reid the kind of man whose qualifications would enable him to pass any fair judgment on what Mr. Britzski was doing? A. I should not say so.

Q. Could he know from time to time what Mr. Britzski was doing in the office work? A. I should not say so. Reid was down there only part of the time and part of the time he would be in other places. Reid was a sort of first foreman in crib-sinking all over the harbour so that occasionally there might be days when he was not down there at all, if he was sinking cribs at another end of the harbour.

Q. Was there any difficulty about placing one of these cribs late in the season, which caused it to be anchored in the dock? A. No, sir. The official programme at the beginning of the season, on which I was told to try and work, was to provide 600 feet of cribwork at the dry dock during last season. Instead of getting 600 feet in I got 800 feet in and then it was a question just how long the winter was going to keep off, and I said that if we should have an extremely long fall we would probably get in 900 feet.

Q. You were trying to get in as much as you could that season? A. We were trying to get in just as much as we could.

Q. How much would the whole length be? A. 1,000 feet and our official programme last year was to get in 600. I got 800 instead of the 600, and having done that I thought well if we can get in some more well and good, so we started out and began preparing the foundations to get in another hundred feet and we went on preparing the cribwork also, but we had to give it up on account of the winter setting in. Another couple of days would have done it, but we did not get that far. The crib was moored down there and it is now ready to go into position as soon as the water goes down.

Q. It was really moored because you were trying to get so much more done than the official programme called for that season; you were forcing the season, as it were? A. That is it.

Q. And when the season got too late for you, you simply anchored the crib there, to be used this spring? A. Yes, sir.

Q. Why has it not been put in place yet? A. The water is not sufficiently far down yet, but the excavation for the crib is being proceeded with.

Q. And I suppose it will not take very long to complete sufficient excavation for the pier there? A. Oh, no, just as soon as the water goes down we will put it in place.

Q. Did you have any trouble in the latter part of the season in preparing concrete? A. No.

Q. I presume that when the cold weather came on you would have to use hot water for your concrete? A. Yes, sir.

Q. Did you have any trouble in getting hot water when it was needed? A. Not so far as I am aware. It was simply a question of turning the steam pipe from the boiler to the tank and keeping it hot and if there was any trouble it was for the foreman to look to that.

Q. Were you personally, I mean yourself, with the work going on day by day down there? A. Yes, sir, I made myself very objectionable probably to the foreman, because one day when I went down and found he was not using hot water I told him to do so and that was the only trouble there was about the hot water.

Q. If he was not doing it right, would not Mr. Britzski be to blame for it? A. This was in the morning and besides as far as possible I do not like the assistants to interfere with the actual construction of the work. They are supposed to notice things if there should be anything wrong, but their time is practically very largely taken up with the engineering part of setting out and all that sort of thing and the ordering of material. They have to order all their material and see that it is brought forward and see that the foremen are not kept waiting for the material, and they have to get after the people to see that the material is on the ground.

Q. For the actual work of construction going on you have that in charge of competent foremen? A. Yes, sir.

Q. These foremen are directly responsible to you? A. They are, under my leading foreman. I have had a head leading foreman, who has charge, under me, of the whole job from beginning to end.

Q. Who is he? A. McMullen.

Q. In connection with this work on the dry dock would Mr. McMullen, as foreman, be passing over that work? A. Yes, sir.

Q. There would be, of course, a local foreman in charge of the work there? A. Yes.

Q. And Mr. McMullen would be supervising and you would be supervising? A. Yes.

Q. Mr. Britzski and the engineering staff would be there for the purpose of giving levels and ordering material and the like of that? A. Yes.

Q. If they saw any thing wrong concerning the concrete or anything of that sort, it would be their duty to report; what would their duty be under such circumstances? A. They would probably direct the attention of the foreman to it, and if it was anything serious they would at once direct my attention to it, either by telephone or the next time I was down there, which would be soon.

Q. With regard to the actual concrete that is there, have you examined it this spring? A. Yes, sir.

Q. What appears to have been the quality of the work? A. The work is good.

Q. There is no dissatisfaction with it at all? A. Not so far as I know.

Q. There is no sign of anything being wrong? A. No, sir. I might also say that it was built under the supervision of the resident engineer or architect of Messrs. Vickers of England, who is out here all the time, and it has this year been examined with another engineer whom they have sent out here and who is at liberty to be there all the time.

Q. Have any complaints been received from these persons concerning the concrete? A. No, sir.

Q. You have no cause whatever to even suspect that the concrete was not of the very best kind? A. Not in the slightest.

Q. With reference to the situation of the cribs on the protection pier has there been any fault as to their alignment? A. I do not understand.

Q. Have they not got out of the bulkhead line that was laid down for them? A. Not more than an inch or two; you cannot make cribwork within an inch or two; they have an extraordinary good line on the cribwork on the dry dock. I do not believe that it is more than an inch or two out of alignment.

Q. Have any of the cribs been a foot out of line? A. No, sir.

Q. Or six inches? A. I should say there is one, the bottom crib at the protection pier, in which there has been a curving in owing to unequal settlement of the ground there, and I should think it is probably six or seven inches.

Q. I have in a note here a statement that the last crib placed was the worst? A. That is the crib.

Q. You say it is six or seven inches out? A. Yes, but it is correct at both ends. That is a peculiar thing about it. It took a sort of funny settlement there which I cannot account for. The crib is exactly right at both ends, but it is a timber crib and it twisted; it bulges inward into the basin to some extent.

Q. Has that any serious effect? A. None whatever. We put on additional timber to take out the slight unequal line and bring it to the true line.

Q. That has been done? A. Yes.

Q. It was only a question of putting more timber on? A. Yes.

Q. It has no effect on the structure? A. None whatever.

Q. And it could not have any disastrous effect on the work? A. Not at all; it is simply a detail of everyday construction in cribwork.

Q. And it commonly happens? A. I should say so; in every crib practically which is sunk in the harbour we have to line them up an inch or two and in some cases six inches. In one or two cases there was a foot or so. I know of certain cases, but this is not in connection with Montreal harbour, where the cribs were out five feet. In this particular crib it was out of line and there was a timber put in, but I may say that the cribwork on the dry dock is exceptionally good and is the best cribwork I have had anything to do with.

Q. Anywhere or at any time? A. Well, I have never had very much to do with cribwork before I came here, because it is not much used in the old country, but the site here lent itself to cribwork and it is good work.

Q. Has anybody said to you that it was poor cribwork? A. No, sir.

Q. Has this Mr. Reid ever complained about the quality of the cribwork? A. Very far from it. He is the man actually in charge under me of the sinking of these cribs, so that if there was anything at fault, or anything that could be better, or if anything happened to the cribs, I would get down on him so that very likely he is the last man to say we made a bad job of it.

Q. I do not wish you to understand that Mr. Reid has made any complaints to us? A. I understand, Mr. Reid is a very experienced man, he has sunk every crib in Montreal harbour, Mr. Kennedy tells me; he has done nothing else than that.

Q. Was that last crib moved two or three times? A. Yes, there was some trouble with it.

Q. Tell us what was the trouble? A. When we were bringing it down from Windmill Basin it got aground when they were bringing it in; there was only a narrow channel at that time.

Q. Was that on the shallow bank which is outside the dock site? A. Yes, she got aground there and one of the bottom timbers got twisted underneath. There was no way of detecting that. No one could tell that until we actually came to sink her in position unless we sent down divers to make an examination at the time. It was only when we got the crib in position that we discovered one of the timbers had got torn off when she went aground.

Q. You discovered that that timber was out of place by the fact that the crib was not settling evenly? A. Yes.

Q. The cause of that grounding would be, would it, because the crib had been constructed a little too heavily at the mill? A. No sir, she had plenty, quite plenty to spare, but there came on a gale when they were going down, and just when they were turning around a corner the tugs let her get into the edge of the bank. That was all there was in it.

Q. There was a shallow place there? A. Yes, that is all shallow there, that is the channel that is being dredged.

Q. And she got into a shallow place because of the high wind? A. Yes.

Q. It was nobody's fault, the act of God? A. Yes, and altogether it was a very slight affair.

Q. What was done to cure it? A. It was taken out of position. I sent a diver down and he got the obstructing timber out of the way and it was then sunk in its proper position.

Q. A timber was displaced and the diver got it out of the way, and as soon as it was removed the thing went all right? A. Yes, sir.

Q. Speaking of the first crib for the protection pier which was prepared for sinking last year, was it at anchor in the entrance of the dry dock for some time? A. I expect it was.

Q. Would Mr. Britzski be in any sense or degree responsible for the delay? A. No, sir.

Q. Do you know whether, with regard to that first crib, it was necessary to take away any layers of timber to make it lighter? A. No, sir, not the first crib.

Q. Was it necessary with regard to any of the other cribs? A. We took off one timber off the third crib that there was difficulty about.

Q. That was the last crib? A. Yes, there was some difficulty about getting it on to a level bed; it was a six inch layer of timber we took off.

Q. How much water would that first crib be drawing when it floated down? A. I presume that there would be eighteen courses and that she would be drawing about sixteen or eighteen feet.

Q. Would any crib be drawing as much as thirty feet of water when it was brought down? A. No, sir, nothing like it. I have never taken any crib through the current with more than twenty courses, and then she would be drawing roughly about eighteen feet.

Q. In any case, if there was any delay, and we can find out about that by other evidence, you say Mr. Britzski was entirely free of responsibility for it? A. Yes, sir.

Q. Did Mr. Britzski make a plan for what is known as the Racine wharf? A. Yes.

Q. Is there really any Racine wharf? A. Yes, it is marked on the plan, and next to it is a timber structure called the King Edward Park Company's wharf, that is under construction now.

Q. Who made the plans for that wharf? A. As far as I remember I think it was Mr. Britzski.

Q. Was there any trouble about the plan? A. No, sir.

Q. I have a note here which says that no approach was provided for it; do you understand what that means? A. I do not.

Q. I presume it means the approach to the pier, from the waterside that pier projects into the channel as shown in this plan? A. Yes.

Q. So that on the waterside, when the pier is constructed, there would be deep water? A. Yes, sir.

Q. On the shore side, is it necessary to get down on it that there should be an approach made? A. No.

Q. Is there a high bank of any kind around it? A. We are filling it in and making it level at the back. We are making it level with the pier.

Q. Was there a depression between the wharf and the bank, or was the work itself very low? A. It was a natural sloping foreshore running out, and a certain distance out we are making a new pier and at the bottom of the new pier we are filling in so as to make it level with the site.

Q. And up to the high water level, of course that belongs to the Board? A. It would, I should think be the boundary line.

Q. Inside of that who owns the property? A. I do not know.

Q. What is that King Edward Park Company pier intended for? A. For passenger traffic.

Q. Which will come to the pier? A. Yes.

Q. Is it a part of the Racine wharf scheme? A. It is an extension of it.

Q. What special purpose is it intended to serve? A. It is for passenger traffic to King Edward park.

Q. There is a park there? A. There is a park further down the river; it is on an island in the river, and in connection with it a fleet of passenger boats which were to ply back and forward, and last year they did a tremendously big business.

Q. Away down the river there is a park called the King Edward park, belonging to a company, and they come to this Racine wharf section with their ferry boats and the people would come there to join the ferry boats? A. Yes.

Q. Is there a road leading down to the wharf? A. It is a new wharf, it is not yet completed, and is not in use, but there is a road, and always has been a road, to the Racine wharf.

Q. And from the Racine wharf they would go on to this wharf which is an extension? A. Yes.

Q. And to the Racine wharf is an approach and there has been an approach and there continues to be one? A. Yes, this new part here has never been used, it is not completed yet, it is in course of construction.

Q. You cannot understand what my information means by saying that there was no approach provided for it? A. It occurs to me that what he may mean is the slipway in the pier. With reference to that, after the work was commenced and after the work had been approved and everything ready, the proprietors came and asked us to make the slipways in the pier so that they could handle their traffic easier. I do not know what their arguments were. These slipways would be a sort of slope, so that if a steamer came along which had a low deck they could put out their gang planks to it. They did not ask for that originally and they saw the plans and the plans were approved of, and then after, when the job was going on, they asked us to put slipways in. That is the only suggestion I can make as to the meaning of that.

Q. Are these slipways usually provided in the wharf? A. No, they are not in the Racine wharf at all. We are making them by special request and in certain positions, at the low level wharf in the centre of the harbour, but they did not have any slipways down at the Racine wharf last year. I understand it was a business arrangement.

Q. It was not a question of negligence in not providing them in the plan in the first place? A. Nothing of the kind whatever, and besides that the plans were all approved of.

Q. The plans were not only approved by the engineering department but by the people who are interested? A. Yes.

Q. And they made this request at some date later on? A. Yes. Of course, that may not be what the complaint is about at all, but that is the only thing I can possibly think it must refer to.

Q. Would Mr. Britzski be responsible for not putting them in the original plan? A. No, sir, it was never intended that they should be on the plan in the first place.

Q. I want to ask you another question; it is said the preparations for the dry dock interfered with the drainage pipe from the town of Maisonneuve; do you know the subject to which I refer? A. Yes, sir.

Q. This pipe came down and projected through the foreshore into the river? A. Yes, sir.

Q. And when you commenced to make your dry dock preparations there, the point at which it did come out, if prolonged, would have led right through what you call the basin, would it not? A. Yes.

Q. The basin is about fifty feet deep? A. Yes, sir.

Q. And instead of prolonging it through the basin it was carried west some distance until it got above the slipway? A. Yes, sir, it discharged into section 54 at the west end of the basin.

Q. Then, if it had been prolonged in a straight line from the place it came out, it would have crossed the slipway? A. Yes.

By Mr. Ducharme:

Q. How deep is the slipway? A. Roughly, about twenty-four feet deep.

By the Chairman:

Q. If you had gone on with a straight line it would have been necessary to put that pipe underneath the slipway? A. Oh, yes, a very long way and besides that you would have ships of tremendous tonnage resting on top of the pipe.

Q. And that would have been impracticable in any case because it would have come out into the river at a great depth? A. Yes, sir.

Q. Then again, in case of repairs or anything of that sort, it would have been impossible to get to it? A. Yes.

Q. And if repairs were ever necessary to that pipe you would have to go down through the slipway to get at it? A. Yes.

Q. Instead of carrying it straight it was diverted to the west and carried beyond the head of the slipway and then put into the river? A. Yes, sir.

Q. When I say it was done, that was planned, has it actually been done? A. It has practically been done. From the old outlet west along the shore the brickwork culvert has been put in; it is a brickwork culvert. I did not do that. That was done by the Maisonneuve corporation by contract and that part has been completed and they are going on with the outfall now.

Q. Do you say the town of Maisonneuve is going on with it? A. Yes, sir.

Q. The town of Maisonneuve is doing that work itself? A. Yes.

Q. On the ground, of course, that it is a municipal undertaking entirely? A. I presume so.

By Mr. Ducharme:

Q. Is there any charge made against the government on account of it, do you know if the town of Maisonneuve is making a claim against the government? A. Not so far as I am aware.

The CHAIRMAN.—What has the government got to do with it; the Harbour Board is an independent corporation of itself.

By Mr. Ducharme:

Q. You never heard of that? A. No.

By the Chairman:

Q. My informant says: it would be very easy to place a pipe in a straight line from the old exit straight across; is that correct? A. To my mind it would be a very silly thing to do.

Q. For what reason? A. Because you would have to go to a great depth and when it was done you would have very heavy vessels resting directly practically on top of your pipe, because the vessels are going up on the slipway and there is a tremendous tonnage resting there, and ten to one they would have broken the pipe.

Q. And in point of expense what have you to say? A. It is much cheaper to go the way they have gone as suggested by their own engineer.

Q. In taking the pipe from the exit of the drain west, did you go any further west than was absolutely necessary to get a good way across? A. We had nothing to do with it.

Q. You had nothing to do with it? A. No, the Maisonneuve corporation engineers submitted plans for the approval of the Harbour Board and these plans were approved and the work was carried out by the Maisonneuve corporation.

Q. Your engineering staff are not responsible at all for the present position? A. We have nothing whatever to do with it, except to see that it did not interfere with our harbour work.

Q. You did not give, and Mr. Britzski did not give, the line upon which the drain is being built? A. We had nothing whatever to do with it.

Q. That line given to the contractors would be given by the municipal authorities of Maisonneuve? A. I suppose so.

Q. Do you know whether they dug an open place for it which they afterwards abandoned or filled in? A. I believe they altered their line somewhat.

Q. And for that alteration you were not responsible? A. We had nothing whatever to do with it.

Q. There is a Mr. Lunan engaged in your service? A. He is the foreman or superintendent at the sawmill.

Q. What does Mr. Roberts do? A. Do you mean just now?

Q. What has he charge of? A. Last year, he was assistant to Harvie, a sort of superior rodman. He was at that for a certain time. Then lately, towards the end of the season, about half through the season, he was put on night duty to supervise the work.

Q. Was Mr. Roberts on the staff when you came here? A. Yes, sir.

Q. Has there been any complaint with regard to the nature of his work? A. No, sir, not so far as I am aware.

Q. Have you observed his work personally? A. Oh, yes.

Q. Is it satisfactory to you? A. Yes, sir.

Q. Do you know of any mistake that was made about the level of bridges and concrete along the line of railway? A. No, sir.

Q. I have a note to say that too much concrete was put on in one place and not enough in another and that a large amount of expense was incurred in consequence? A. Mr. Roberts had nothing to do with that. The work was put in in accordance with the drawings which were prepared and afterwards the alteration was made in the steel work design. It was found that we could get better design in the steel work by making some slight alterations and that it would be much cheaper, and that necessitated knocking off three or four inches, it may have been six inches, of the top edge of the concrete for a length of thirty or fifty feet.

Q. And you say that concrete was knocked off because of a change of design in the bridge? A. Yes, sir.

Q. And the change of design was made in the office? A. Yes, sir.

Q. And it was not done through an error having been made? A. No, sir, it was made through an alteration in the design.

Q. Which was in consequence of ascertaining that money could be saved? A. It was done intentionally for that purpose.

Q. It was not done accidentally or because of negligence? A. No, sir, it was simply an alteration in the design of the steel work.

Q. And not a mistake? A. No, sir.

Q. And in any case, Mr. Roberts had nothing to do with it, he was simply obeying orders? A. In fact, I do not believe he had anything to do with it at all except probably to hold the level.

Q. Do you remember in what year the present contract with Vickers Maxim or Vickers, Limited, was made? A. I cannot give the date now.

Q. Was it last year or the year before? A. The year before.

Q. Some time during the year 1910? A. Yes, sir.

Q. You were at work here at that time? A. Yes, sir.

Q. Have any of your present staff been employed since that time; I refer to your engineering staff; have any of them commenced their work with you since that date? A. Yes.

Q. Who? A. Well, last week there was Mr. Gratton.

Q. He is a French Canadian? A. Yes, sir. About six months ago, there was Mr. Ryan.

Q. What is his nationality? A. He is a Canadian, he was educated at McGill.

Q. And who else since you came here? A. Mr. Leclaire.

Q. How long ago was he put on? A. Six or nine months ago.

By Mr. Ducharme:

Q. Who engaged these people? A. The Commissioners.

Q. You don't engage any men? A. I do not engage any of the staff.

By the Chairman:

Q. Is there an assistant in the engineer's office during the winter; is the whole engineering staff kept on all the year around? A. Yes.

Q. I have a reference here to an English assistant being kept on in the office during the winter when there was nothing to do; do you know of anybody who was kept on during the winter? A. The whole staff is kept on.

Q. Is there anybody doing nothing during the winter? A. Not so far as I am aware.

Q. What class of work does your staff do during the winter? A. They do survey work, boring through the ice in places where it is impossible to do it in the summer time, and they prepare all the drawings for the ensuing season's work.

Q. Is the winter season with your staff a fairly busy season? A. Yes, sir.

Q. Of course owing to the nature of the climate in the port of Montreal, a great deal of the activities of the harbour work has to cease in the winter time? A. Yes, sir.

Q. And you have to keep a staff at work? A. Yes, as a matter of fact, the engineering staff are kept fairly busy throughout the winter, because they have all the drawings and all the schemes to be prepared for the coming season and, as a matter of fact, the construction men do not come into the head office until about Christmas, so that there is only January, February and March in the office.

Q. And I suppose, speaking generally of the staff of the Harbour Board, it is necessary really, in order to keep good men that you should keep them throughout the year in permanent employment? A. Certainly.

Q. And I suppose you could not hope to keep good men on your engineering staff unless you could employ them all the year round? A. No, sir.

Q. Even if it were true that they should not be busy in the winter, it would be necessary to keep the men if you want to hold good men? A. Yes.

Q. And I suppose in this country there is a large demand for experienced men of that kind? A. There is.

Q. Who is Mr. Beaudry? A. He is the foreman carpenter.

Q. He is a French Canadian, judging from his name? A. Yes, sir.

Q. A good many of your carpenters are French Canadians? A. Yes, sir, practically—I would not like to say all, but I should say—ninety-five per cent of the carpenters are French.

Q. I have been told by the Chairman of the Board that the French Canadians are specially excellent in carpentry work? A. Yes, they are very good carpenters.

Q. And they are great crib builders, are they not? A. They are very good men on crib-work; all of the crib men are French.

Q. The chairman of the Board went so far as to say to me that in cribwork they were away beyond all others in the speed and excellence of their work, is that your experience? A. Yes, sir, they are particularly qualified and experienced in that class of work, which other nationalities which you get here have no experience of.

Q. The average immigrant coming into the country, especially the English immigrant, would not be good at such special work as cribwork? A. Not in the ordinary case, they have no experience of it, whatever, as a rule.

Q. And they are not good handy men with the axe and the adze that workmen use? A. I should not think so.

Q. Do you have many English labouring men here, I do not mean men of Anglo-Saxon extraction, but pure English immigrants working for the Board? A. Very very few.

Q. Did you ever order anybody to get all the Englishmen from England as much as possible for your work? A. Would you mind repeating that question, sir.

Q. Did you ever give an order to anybody in the service of the Board that they were to keep all the Englishmen from England that they could, engaged on the work? A. No, sir.

Q. Have you ever given any orders of that kind? A. That is absolutely absurd.

Q. Is it the sort of thing you would be likely to do or that you would like to do? A. No, sir.

Q. I suppose you have no special fondness for these fellows, south of the Tweed? A. Not particularly, the best man that I can get for the work is the man I want.

Q. Did you ever order anybody to dismiss all the French Canadians? A. No, sir, that would mean stopping the work.

Q. Now, did you ever give any directions to anybody to get clear of French Canadians, as French Canadians? A. Never.

Q. Did you give an order of that kind to Mr. Beaudry to dismiss all the French Canadian carpenters that he had? A. Never.

Q. Did you ever make any complaint to him about French Canadian carpenters, as French Canadians? A. No.

Q. Or about any of his carpenters? A. Except in the ordinary way. I have no recollection of ever complaining to Beaudry about the character of his men, because he is a very good man himself and if he or any of the foremen have any complaint against any of their men they themselves are responsible to me for dismissing the men. I leave that to the leading foreman; I do not personally dismiss any of the men.

Q. Who is the leading foreman? A. Mr. Beaudry; he is the foreman carpenter.

Q. What does Mr. Beaudry get per day? A. I think it is $3.50 or it may be $3.70.

Q. Do you know a Mr. Jackson? A. Yes, he is foreman mason.

Q. Do you know what he gets? A. I do not know but I should say it would be somewhere about $4.00 or $4.50 a day during the construction season.

Q. Why should he get more pay than Mr. Beaudry? A. Because he is a stone-mason.

Q. Then masons get higher wages than carpenters? A. Oh, yes.

Q. Would you say that Mr. Beaudry is fairly paid for his work according to the scale of wages? A. Yes.

Q. What do the ordinary carpenters get? A. Thirty cents an hour.

Q. How many hours a day? A. Ten hours.

Q. He would be getting only fifty cents a day more than the ordinary carpenter in his employ? A. Yes, but Beaudry was kept on during the winter time and was employed during the whole of the winter while the other carpenters are not, and regarding Jackson, the stone-mason, he was also kept on during the winter but at a very much reduced pay. I do not remember exactly what it was but it was either $2.25 or $2.50 a day.

Q. While Mr. Beaudry's full pay was continued? A. To the best of my knowledge, yes. So far as I remember Jackson was getting $2.50 a day throughout the winter.

By Mr. Ducharme:

Q. As a rule is Beaudry kept busy during the winter? A. This is the first winter he has been kept on, I only engaged him last winter.

Q. As a rule, is your foreman carpenter kept the whole winter A. No.

Q. Have you work for all winter? A. We kept him last winter and the winter before also.

By the Chairman:

Q. Your foreman carpenter was kept at work all winter; would the full carpenter force be kept at work during the winter? A. No sir, only a few men.

Q. And compared with the ordinary working men, although Mr. Beaudry only gets fifty cents a day more than they get in the active season, he has the advantage of being constantly employed, while the others are off from time to time? A. Yes, sir.

Q. Do you propose to be here all this summer in active charge of your work? A. Yes, sir.

Q. You are not designing to go away at any time during this summer? A. No, sir. My engagement with the Commissioners ended last Christmas. I was engaged for three years and my time expired then. I made arrangements with the Board for continuing in their service, and it was arranged at that time that I was to be allowed to go out to the West.

Q. Did you go to the West for private purposes? A. I went at the request of the government at Ottawa.

Q. Did you go to look at the terminal arrangements out there and to advise on them? A. I made a report on Vancouver harbour.

Q. Did your salary with the Board continue? A. Yes, that was part of the arrangement that I entered into for remaining in the service.

By Mr. Ducharme:

Q. Were you also paid by the government? A. I was paid a small fee for the report.

By the Chairman:

Q. How many dredges were there at the dry dock last year? A. They were changed about a good deal and we sometimes had two Harbour Commissioner's dredges, one from the Public Works Department, sometimes one and sometimes two, and sometimes three.

Q. How many from the Harbour Commission? A. Two.

Q. They were both steam dredges? A. Yes, sir.

Q. Who would be in charge of these dredges? A. Mr. Yale, the mechanical superintendent.

Q. He is a French Canadian? A. Yes.

Q. The chairman of the Board spoke of him very highly to me yesterday? A. He is a very good man.

Q. That is your opinion of him from observation of his work? A. There is no question about that.

Q. When you say he is in charge of the dredges, he has his shop on one of the piers, has he not? A. Yes.

Q. He would not be directly down at the dry dock watching the work? A. Not there continuously, he would pay visits there.

Q. And the man in charge would be his superintendent? A. Yes, sir.

Q. Would each dredge be in charge of some particular person? A. Yes, sir.

Q. Do you know of any complaints as to the way in which these dredges were operated at the dry dock? A. No, sir.

Q. Was there any complaint ever made to you by Mr. Yale, for instance? A. No.

Q. You never heard of any complaint? A. I looked to Mr. Yale to keep them going, and if he had any complaint to make naturally he would deal with it himself.

Q. Mr. Cardinal is the foreman of the labourers; what kind of labourers? A. He is the track-laying foreman and a permanent way man.

Q. He would be laying the track past the dry dock last year? A. Yes.

Q. Would he have anything to do with the dredging in the dry dock? A. Nothing whatever.

Q. I have a statement here to the effect that Mr. Cardinal was obliged to show a certain Englishman how to work the steam dredge, do you know anything about that? A. I do not know anything about that.

Q. Do you know anything about a steam dredge that turned over? A. No; there was a crane that turned over.

Q. Was there a steam crane that turned over? A. Yes.

Q. What was the cause of that do you remember? A. The track subsided. It was on a clay bed and the track slipped out and the crane toppled over.

Q. Would the man in charge of the crane be responsible for that in any way? A. No.

Q. Do you know whether it was at the time it went over in charge of an Englishman? A. It was.

Q. Do you remember his name? A. Tom Cannock.

Q. Had he been some time in charge of that crane before the accident happened? A. Yes.

Q. And in the employ of the Board also? A. Yes.

Q. Was he in the employ of the Board for some time before that? A. Yes, since ever they got a crane.

Q. When was that? A. Speaking from memory, it was about three years ago, about two and a half years or three years ago.

Q. Then he would be two and a half years or three years in charge of the crane before the accident happened? A. Yes.

Q. Was he employed by your direction in the first place? A. He was engaged by Mr. Yale.

Q. And not at your request or direction? A. No, I sent this man, as I send all the men who apply for mechanical posts, I send them all to Mr. Yale.

Q. And beyond the fact that you sent him like anybody else to Mr. Yale, you had nothing to do with his employment? A. No, Mr. Yale is responsible for all the crane drivers.

Q. And Mr. Cardinal would not be in charge of him while he was working? A. Mr. Cardinal had nothing to do with the actual cranes. Cardinal has only to do with the work of laying the track for the crane.

Q. And for that slipping of the track, if there was anybody responsible, it would be Mr. Cardinal? A. There was no one responsible or to blame for it. It was an accident. I was there on the spot myself within a quarter of an hour after that.

Q. And for the condition of the track Mr. Cardinal is the responsible man? A. Yes.

Q. But you say, as a matter of fact, that it was one of those inevitable accidents? A. Yes, the bank slipped on the clay foundation.

Q. And neither Mr. Cardinal nor Mr. Yale nor the foreman was to blame? A. I have no cause to complain of any of them.

Q. And you were there within fifteen minutes after the accident and you investigated the circumstances? A. Yes, sir.

Q. Do these dredges have to be cleaned from time to time? A. Yes, sir.

Q. When is that done? A. The boilers are washed out on Sunday and they are cleaned when they get time. They were working day and night continuously Sabbath and Saturdays, and they had to be cleaned just whenever they could catch time during the week. They washed out on Sundays as a rule.

Q. They would be working every week day and it would not be possible to wash them out or clean them out or blow out the boiler, and necessarily you say that would be done on Sunday? A. It is invariably the custom to wash out the boilers on Sunday.

Q. Was a culvert put in at Molson's creek? A. Yes, sir.

Q. It is split across the middle? A. Yes, there is a small crack.

Q. Lengthwise or crosswise? A. Crosswise.

Q. Right across the middle? A. Not right through, only in the roof.

Q. To what do you ascribe that? A. Settlement of the foundations.

Q. And not to the quality of the cement? A. That had nothing whatever to do with it.

Q. What was done with it afterwards, was there anything done? A. It was pointed up.

Q. The foundation was a pile foundation, was it? A. No, sir.

Q. Were any piles driven at all? A. Yes, along the front.

Q. But not for the superstructure to rest on at all? A. No, merely as a cut-off. It is on sand foundation and I drove a row of piles along the front to prevent the sand foundation from being washed out below.

Q. Then the settling would be due to the settling of the sand foundation? A. Yes, very slight; it was a mere trifle altogether.

Q. Has it ceased? A. Yes, sir.

Q. Has it altered the solidity of the work to any extent? A. Not at all.

Q. It makes no difference whatever? A. None whatever.

Q. Would Mr. Britzski be responsible for that in any way? A. No. sir.

Q. The Canadian Northern Railway crosses Molson's creek? A. Yes, sir.

Q. Was there any trouble about the levelling there. I have information that it was levelled up at considerable cost, and then all that had to be undone again; do you know anything about that? A. No, there was a lot of very intricate work done there and unless one knew all the circumstances they would not know what we were doing at all.

Q. Will you explain to us what that was in the shortest possible way? A. There was a low level track crossing over Notre Dame street on the level, belonging to the Canadian Northern Railway. They had very heavy traffic going on continuously on that track and we had to put an embankment up so that their track could be made a high level track at the same time keeping the low level track going.

Q. Why had the Harbour Board to put an embankment up; was the Canadian Northern running on to the pier there? A. Yes.

Q. Then, the Harbour Board had to put an embankment on its own property? A. We were raising all that embankment right over in connection with the dry dock work.

Q. Your line projects over Molson's creek and you had to build the embankment there? A. Yes.

Q. Does the Canadian Northern Railway come down at right angles and join you? A. They come around a pretty good curve.

Q. And run into your track? A. Yes.

Q. And the levelling up there took a considerable time, I suppose? A. No, it was done very quickly.

Q. Did it occupy three months? A. I am speaking from memory, but I think it took a week or ten days.

Q. And after that was done, was any portion of the work undone? A. No.

Q. I have a statement here that after they had levelled it, occupying nearly three months, they had to undo all the work and put it as it was before? A. Absolute nonsense. It was a low level track before, and it is now a high level track, and the work was done and the change made I think in a few hours. The actual traffic was suspended for a few hours. The work was done there by agreement with the Canadian Northern Railway engineers as to the method in which it could be done.

Q. Was the filling done by a steam dredge? A. Not by a steam dredge; it was done by a steam crane.

Q. I have a statement here that it was done by dredge No. 1; I suppose that should be crane No. 1? A. Yes, crane No. 1.

Q. My informant says they should have used the steam crane No. 1 more than they did to fill in this place, was it filled in in any other way? A. Not to my recollection.

Q. The steam crane was used altogether for that? A. It was not anywhere else. The parties who give that information may have got confused between the Canadian Northern Railway workmen and our workmen, because the Canadian Northern men

were working there for quite thee months. It was a standing joke with us that they were never going to finish their job, and unless your informant was conversant with all the different foremen and knew whether they were our foremen or the Canadian Northern foremen, I do not know how he would understand what was going on. Probably he confused our workmen with the workmen of the Canadian Northern.

Q. The Canadian Northern men were working there to bring up their track on a level with yours, and to enable them to join with yours? A. Yes, and building bridge abutments and timber trestle work; they had quite a lot of work to do there.

Q. And they were there for a long period? A. For three or four months.

Q. And you think the information I have received here probably applies to that work? A. I should imagine so. I know I was congratulated upon the rapidity with which our work was done. I was congratulated by the Canadian Northern general manager and Mr. Cowie, whom I met down there, when I was conducting operations.

By Mr. Ducharme:

Q. Why have the cribs to be floated down in advance before the receiving bed was ready for them? A. So as to get them out of the way up here. We can anchor them down there out of the way and there is considerable congestion in the upper harbour so we move them down. I have only one building platform for the whole of the cribs, and so I launch them just as rapidly as possible and get them out of the way up here.

Witness retired.

The Commission adjourned.

MONTREAL, May 28, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman,

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

GEORGE WASHINGTON STEPHENS, chairman of the Montreal Board of Harbour Commissioners recalled:

Examined by the Chairman:

Q. You have some work done by a man named Charles Thackeray? A. Yes.

Q. What was this in relation to? A. The building of a suitable office for our grain and traffic department.

Q. That was built on section 15 of the wharf? A. Yes, just adjoining Elevator No. 1.

Q. I see on the tender it mentions section 15? A. Yes, I suppose so.

Q. New tenders were called for for that construction? A. Yes, for that building.

Q. And eight tenders, I understand, were submitted? A. Yes, and received.

Q. Well, the lowest tender was that of Charles Thackeray at $23,720? A. Yes.

Q. And the next lowest to him was $20,330 or $5,110 more? A. Quite so.

Q. So the figures ranged upwards until $38,000 and some odd dollars was the highest? A. Yes, that was the highest.

Q. And the lowest tender, that is Thackeray, was accepted? A. Yes, it was accepted

Q. And you entered into a contract? A. Yes, entered into a contract.

Q. That would be some time towards the end of 1910? I see the tenders are dated August 30, 1910? A. Quite so.

Q. Well, will you just tell us in your own way what happened, that is, in the first place, who is Charles Thackeray? A. He has been a contractor in Montreal for a considerable number of years. He was the contractor for the Royal Bank on St. James street, for the Queen's hotel, and quite a number of important contracts in the city, and was deemed to be quite competent to carry out this small job, which the Commissioners had requested tenders upon. Shortly after his tender was accepted Thackeray failed and the Commissioners had the option of selecting the next lowest tender, at an enhanced tender price of $5,110, or attempting to carry the work out under Mr. Thackeray's supervision themselves, in the hopes that the ultimate price of the work would not reach as high as the second lowest tender. This was done.

Q. Has the work been completed? A. The work is now completed.

Q. Finally? A. Yes.

Q. Taken off the hands of the contractor? A. Yes, taken off the hands of the contractor.

Q. What has the total been? A. The total cost of the work is shown in the memorandum of the original contract and the accessories, making a total of $27,516, or slightly under the next lowest tender.

Q. About $1,300 under? A. Yes.

Q. But in addition, Mr. Stephens, to that $1,300 mustn't some allowance be made for items which are included in that total which were not in Thackeray's tender? A. All the items below the tender price in his memorandum are accessories and extras over and above what was tendered for.

Q. Then why have you allowed ————, was it part of the agreement with Thackeray if he got under the contract price he would be allowed the full contract price? A. I think not.

Q. Then I notice in this memorandum you have put in the contract at $23,720 just as if it had really cost that? A. Well, you will note, Mr. Chairman, that the items of the memorandum here show what the money included in the different items has been expended for, and some of these items were for changes which were found necessary during the course of the construction and were not contemplated when the original tenders were figured on.

Q. It has not been the practice to charge your revenue with anything whatever for depreciation? A. No.

Q. If buildings have been renewed or plant of any kind renewed that has to be done out of capital account, I presume? A. As far as repairs are concerned, that is all done out of revenue.

Q. Casual repairs? A. Yes.

Q. The port is too young, I suppose yet, to have any of its property falling into old age? A. Well, all the old wooden wharfs have reached maturity now, and little by little will have to be repaired and practically renewed.

Q. You, of course, appreciate the difference between repairs and renewals? A. Quite so.

Q. And when I speak of depreciation, I am only speaking of that which requires renewals or rebuilding—these old wharfs were originally charged to capital account, I suppose? A. Oh, I think so.

Q. And when they have been renewed or when they have been partly taken down and something substituted for them that has also been charged to capital? A. Oh, quite so, every capital expenditure of course must be made with the authority of the Minister of Marine, and the plans for that expenditure and the nature of it must be shown and approved before the money can be spent.

Q. But where the Minister of Marine is informed that the Board intends to expend a certain amount of money in building a wharf, and he assents to it, that does dispose of the question, I am now dealing with a case where that wharf may be replacing another wharf which was charged to capital account? A. No.

Q. Consequently, the capital account is carrying two charges? A. Quite so.

Q. And assuming that the new structure is worth only what it cost, the old structure has gone into the discard altogether, but still remains charged in capital account? A. Quite so.

Q. And consequently—there is frequently provided outside of wear and tear what is known as a renewal account and there is nothing of that kind in your Harbour Board? A. No, we have nothing of that kind.

Q. Well, the result would be in the course of years that your capital account would represent considerable expenditure for works that had really passed away? A. That is so.

Q. Then, of course, the interest on your capital account is being paid for out of your current revenue? A. Quite so.

Q. Don't you think that it would be fair that the trade of the Board should carry at least some charge—it might be small—with regard to the permanence of your structure, but still some charge that would provide you with a fund for renewals? A. I most certainly do.

Q. I will tell you the danger I see looming ahead—people compare your annual statements of expenditure and revenue on current account, and if your Board does well they see a surplus apparent on the face of the account and then there is a clamour for a reduction of charges on the trade. No allowance is naturally made by the public which you are not making in your own accounts for renewals, or what they technically call obsolescence. It appears to me it would be good bookkeeping and sound finance if from this time forth you would make a small charge against your revenue for the creation of a renewal fund—how does that strike you? A. From time to time the Commissioners have felt just as you do about that same question, but years ago the Commission was shorn of a great source of revenue by the abolition of all tonnage dues on the ships. At the moment our entire sources of revenue come from wharfage charges that are made on the goods going out and coming in, and on the rental revenue which we get from berths, spaces, and allothents, with me addition of a small increment we earn through our traffic department. The idea of establishing a sinking fund, whereby at the end of a term of years the great part of the capital expenditure now paid would be returned or compensated for, has the sympathy of the Commissioners, but the difficulty has been that our interest charges and our administrative charges have taken almost all the available revenue that we have had and, in consequence of this, we have had little opportunity as yet to establish a renewal fund, which is, as you have said, very desirable, or a sinking fund on a more or less large scale, which, in my humble opinion, would be a sound piece of finance.

Q. I want to draw a distinction in a very marked way between a sinking fund and a renewal fund, because while a sinking fund is considered by financiers a good name when applied to bonds and debentures of all kinds, because it so increases the selling value of these bonds and debentures in the market, in your case, as your bonds are all floated on the credit of the Dominion government, probably the sinking would not be very important as it would not materially affect the value of those bonds which you issue, and in any case that might be left with the government to consider in relation to their general financial consideration? A. Quite so.

Q. And there is furthermore to be said with reference to a sinking fund for your bonds, that where your bonds are issued strictly for capital expenditure that are new, and for additional works, it can always be contended that the actual cost of new works only is represented in capital account, and a sinking fund need not be provided, because there are always assets there to justify a renewal of the bonds when they fall due, by another issue of the same amount, but with regard to a fund for renewals and works which have become obsolete or that from old age have passed the period of life, if these keep creeping into the capital account, after a while it can no longer be said that the capital account represents actual works and then harm might be done. Now, it appears to me, therefore, that a very small annual percentage ought to be charged against revenue, to create a fund for the renewal of those works. Your works are very permanent and a very small amount would be required? A. I think that is a splendid suggestion to consider a renewal fund absolutely apart from the sinking fund idea, and to set aside year after year a small sum to be devoted for a specific duty of renewing parts of the capital expenditure that have become obsolete and require renewal.

The CHAIRMAN.—That is exactly what I suggest.

By Mr. Lake:

Q. Have you any portion of your revenue year after year which you are now actually expending on capital expenditure? A. Yes, we bought a property out of revenue a year ago.

Q. I asked you that because it struck me that if you had any surplus in that way it might be well devoted to what Mr. Morine has suggested, without your having to show you are not making expenses beyond your revenue? A. Quite so.

By the Chairman:

Q. I will tell you what I want to see done and that is this: agitators deprived of any fair ground for attempting the reduction of your dues on business passing over your water front, by indicating from time to time that there is a surplus when in reality there would be no surplus if obsolescence were being provided for by a proper charge? A. Quite so, I think that is one of the most important administrative reforms that we might adopt or carry out.

Q. Of course, to get at the basic principle of a port like this is extremely difficult. The ship channel is looked out for by the government directly upon the ground, I presume, that the navigation of the St. Lawrence is a national matter. Then when it comes to the improvement of this particular harbour of Montreal, the Dominion Government advances the money to the Board, receiving in return debentures of the Board upon which only interest is paid? A. Yes, that is it exactly.

Q. Consequently, all that you really receive from the treasury is the loan of a certain sum of money on which you are expected to, and do, pay interest? A. Quite so.

Q. At the rate of three and a half per cent? A. Yes.

Q. Well, in order to meet that interest charge, and the current expenses, your revenue is raised by wharfage dues on incoming and outgoing freight? A. Quite so.

Q. Foreign, maritime and local? A. Yes.

Q. And consequently, the annual expenses and interest charge upon the improved port of Montreal is levied upon the freight passing through Montreal? A. Quite so.

Q. And borne by the whole country? A. Yes.

Q. In the cost of its articles? A. Quite so.

Q. That is in the cost of the goods consumed and the expenses attached to exports? A. Quite so.

Q. Then if you were to provide a renewal fund by charging your revenue with an annual percentage for that purpose, the percentage would come out of the collections on the trade at the port of Montreal? A. Quite so.

Q. And consequently out of the trade of the whole country? A. Yes.

Q. It would not be a local charge against the city of Montreal? A. Not at all.

Q. But against the whole trade that Montreal carries on, and that is as wide as the Dominion itself? A. Quite so.

Q. Wharfage dues are collected in the first place by the Customs Department? A. The Harbour Commission has an office in the Customs building.

Q. And you have clerks there? A. Yes.

Q. But the actual collection is done by the Customs? A. Yes, the wharfage tickets are presented to the Harbour Office at the Customs House for verification, and the rest of the operation goes through the Customs.

Q. That is the point I wanted to get at, I notice that gratuities are given by your Board at Christmas time every year to the Customs employees who collect the revenue? A. Yes.

Q. Now, what authority is there for these gratuities? A. None, except that the practice has been in force for many years of doing that, and the consent of the present Commissioners as to the advisability of continuing that.

Q. Apparently it is the duty of those Customs officers to do this work? A. I think that is correct, I do not think there is any obligation.

Q. I don't see then why any gratuities should be paid or be permitted to be paid under the government regulations.

By Mr. Ducharme:

Q. Is it the duty of these Customs officers to do that? A. It is; a good deal of work is put on these men by reason of the business of the harbour. These men employed by the Customs Department, I understand, are not exclusively giving all their time to the business of the harbour, they do whatever business in their own department comes to them, and when the present Commissioners took office they found in existence a practice of at Christmas time giving to these clerks gratuities and they continued it.

By the Chairman:

Q. Is it a certain class of clerks who are there or all the clerks that are there? A. No, I think it is only one or two who get it.

Q. Men occupying certain offices? A. Yes.

Q. And if the individual changes and someone else occupies that office he would receive the gratuity at the end of the year? A. Yes, just the same.

Q. So it merely happens that certain officials there, are collecting these moneys for you, whoever happens to occupy that position there? A. Quite so. The collector of the port about Christmas time reminds the Board that it has been the custom to give certain gratuities and asks if the Board is disposed to continue the practice, which the Board does.

Q. In connection with the purchasing methods of your department, what limit is there drawn between things that shall be purchased by the purchasing agent and otherwise? Let me explain what I mean—you purchase either by tender or through the purchasing agent—all small purchases are made directly by the purchasing agent and he buys either by catalogue prices or by letter which he writes himself—now what I want to know is what is the distinction made, if there is one, between goods which are purchased by advertisement of the board itself and those goods which are purchased by the purchasing agent? A. Well, everything purchased that is not tendered for is purchased by individual order number and issued by the purchasing department and presented with a description of the goods and the prices and the total amount that the order comes to.

Q. And submitted to the Commissioners? A. Yes.

Q. But the question I asked was how was it decided in the first place which shall be purchased by tender and which shall be purchased by the purchasing agent? A. Well, all the routine requirements, all suitable articles that are needed, are purchasable by printed catalogues subject to discounts that are printed, that is one category where the purchasing agent buys without asking for tenders specifically. The amount of each order of course is checked by the chief of the department through whom the order is initialled, and then comes to the Commissioners who again check the amount. If the amount in any case is too much, the Commissioners as a rule will investigate it and if it is found in any way irregular tenders for that particular thing will be asked for.

Q. But what I want to get at is this: presuming there is a requisition in the regular form properly certified, who is it that says now the purchasing agent should look out for this or who will advertise for tenders A. The Commissioners.

Q. Do they say that before it goes to the purchasing agent? With every requisition? A. No.

Q. It is not the Commissioners then who decide in the first place? A. Not in the first place, no.

Q. Well, that is what I am asking about, not what you do afterwards but in the regular course a requisition is sent in from any source at all, I don't care where, and say that a requisition is in the proper shape, now who is it that says: Well I will have tenders asked for this, or I will ask the purchasing agent to look out for it? A. Well, each department that wants to buy anything submits its requisition to the purchasing agent.

Q. Now, is that absolutely certain? A. Not for big machinery or big contracts or anything of that kind, but on the routine things when anything is wanted in the ordinary course of business.

Q. Whether it is in a large or small quantity? A. Yes.

Q. Whether you intend to advertise for tenders or buy in any other way, it all goes before the purchasing agent? A. Yes, there might be exceptions to that in rare cases, but that is the system.

Q. Well, what I want to get is this. Of course, if a new purchase is made, such as the purchase of some new cranes or rolling stock or any very large expenditure of course the engineer will report it to the Board and the Board will deal with that. I am speaking of that, but the routine requirements, whether large or small, that get into the form of requisitions, all come to be dealt with—you say now all go before the purchasing agent in the first place, or don't they come to the secretary and doesn't he send them to the purchasing agent? A. I see what you mean, Mr. Chairman, there might be occasions where the Board would discuss the purchase of things and request the secretary to ask the purchasing agent to get prices and information about it.

Q. I am not dealing with that at all, but I am dealing with routine—is the purchasing agent in the place? A. Yes, he is right here.

Q. Will you please ask him to come in? A. Yes.

Witness retired.

ALPHONSE ARCHAMBAULT, of the City and District of Montreal, purchasing agent for the Harbour Commissioners, aged thirty-eight years, sworn:

By the Chairman:

Q. How long have you been purchasing agent, Mr. Archambault? A. Since about May, 1907.

Q. And prior to that were you in the service? A. I was assistant secretary.

Q. Now when articles of any kind are requisitioned for, in the course of your business, where does the requisition go to in the first place before it comes to you?--I find when a foreman or anything of that sort wants anything on the job, the requisition finally gets into the engineer's department, doesn't it? A. It depends, everything depending on the engineering department goes to the chief engineer to be initialled before I have anything to do with it, I won't take it unless is is initialled either by the chief assistant or by the assistant, if the chief is away.

Q. Now then, what other things are there that do not depend on the engineering department? A. The traffic department, the requisition is signed in every case by the head of the department for which it is intended.

Q. And there are several departments? A. Yes, mostly all engineers excepting the traffic and secretary's department.

Q. Those are three departments? A. Yes.

Q. And are there any others? A. Those are all, all the other items come under the engineer's department with the exception of the secretary's and the traffic department.

Q. Well now, when the engineer's department makes a requisition, do all requisitions come to you? A. All requisitions that are made come to me or should come to me, I suppose they do.

Q. Now we will take, for instance articles that are advertised for and in that case? A. There is no requisition made in that case.

Q. No requisition made? A. I don't think so, we do not need a requisition then if they are bought by tender.

Q. But even in the case of a thing called for by tender there must be a requisition, mustn't there? A. Well, it doesn't come to me anyway.

Q. That is what I am trying to get at? A. I don't expect there is a requisition made for things called by the press, you see. Anything in large quantities that is called for by public tender or advertised by the press, can be dealt with only by the Commissioners, and the secretary gives reasons for those, and there are contracts made, and any consent made by the Commissioners must be made through their official who has a right to make contracts and that is the secretary treasurer.

Q. Give me the names of a class of articles that are being used in the engineering department in a large way all the time? A. Well, cement.

Q. Yes, take cement? A. Timber.

Q. Yes, timber? A. And stone.

Q. Well, take these three articles. If a quantity of cement is needed for the construction of a pier down here would that come before you? A. Well, I don't suppose so, no, because it is a yearly contract. I understand, of course, you are asking the question about things that are not bought by requisition by me, things that come by requisition I deal with.

Q. But I am trying to get behind that—who sends requisitions to you that you receive? A. The head of the department.

Q. The requisitions are sent to you by the heads of the respective departments? A. Yes.

Q. Then the engineer's requisitions which you receive do not come to you through the secretary? A. No, sir.

Q. Well, now then, if the engineer has need of a quantity of cement, how does he decide whether to send a requisition to you for it or to send a requisition to the secretary for it, so that the secretary shall advertise? A. I know nothing whatever about that.

Q. All tenders are advertised for by the secretary are they not? A. Yes, sir, well I understand it is to be done that way.

Q. Then the fact that the engineer wants a certain quantity of cement must be made known to the secretary in some way, mustn't it? A. I cannot answer that.

Q. Of course that follows as the night follows the day, doesn't it? A. It is a little beyond my part.

Q. What I want to know is can you tell me how the distinction is reached in the mind of any one as to what shall be sent down to you to be dealt with and what shall be sent to be dealt with by the secretary? A. No, I don't know.

Q. You don't know how that distinction is reached? A. No, sir, I don't know.

Q. Can you tell me what limit is placed on the value of things which you should be allowed to buy? You understand what I mean is this, do they say that nothing over $100 or over $500 or any given amount shall be bought through you, or is there no limit? A. No, there is no limit, there is only a limit as to the amount of an order. You see I might be allowed to go in a case of emergency, sometimes we are caught on a Saturday afternoon when we cannot get the requisition signed by the Commissioners, I believe that is about the only limit I have, about $50.

Q. You don't know yourself upon what principle certain things are sent to you to be dealt with and other things are sent to be dealt with by the secretary treasurer or in some other way, you don't know? A. No, it is absolutely out of my duty.

Q. All you know is when you get a requisition you act on it? A. Yes, get prices, and so on.

By Mr. Ducharme:

Q. When you get a requisition do you attend to it? A. Immediately.

Q. You do not go to see whether that requisition is bona fide? A. No, I know the signature.

Q. You do not go to see if the man who signs it is authorized to sign it? A. No, the moment it is signed by the head of the department it is my duty to attend to it. I do so and submit the requisition after I have put the prices on. I get prices, sometimes by telephone and sometimes—well it depends on how much in a hurry the thing is, sometimes I get a requisition from the head of the department and perhaps it is absolutely correct and I have no corrections to ask, and I submit it to the Commissioners which is a second check.

Q. Supposing the engineers should send a requisition for some cement? A. I wouldn't touch it.

Q. You wouldn't touch it? A. No.

Q. It would be signed? A. If a requisition would be sent to me by the chief engineer for anything I know is contracted for, that is that the goods are contracted for, of course I do not touch it in that case. Sometimes I get a requisition from the department for some materials that I know are under contract, sometimes for broken stone or something of that kind, and in that case I naturally get it from our stock.

By the Chairman:

Q. That is if there is an existing contract? A. Yes, I know generally.

Q. But that is not what Mr. Ducharme meant, I think—suppose the chief engineer asks to buy a quantity of cement, and there does not happen to be any contract at the time, would you proceed and buy it? A. The same thing as in any other requisition. I would get prices from the market.

By Mr. Ducharme:

Q. How would you know that? A. I generally know the contracts in force.

Q. Is there any cement bought outside of your knowledge? A. No, there is nobody but me. As a matter of fact I know there is a contract but I do not know whether it is 100 or 1,000 bags received, I don't know.

Q. How do you know if you get a requisition to buy cement—how would you know if you had any of it? A. I would take good care to inquire.

Q. But I am talking about the system? A. Anything I am in doubt of I would go to the secretary and inquire if there is a contract for these goods and it might happen that he has a contract and we would not like to go beyond that. I would find out the prices and see if I can do better, and if I could do better I would say: well, here is your contract.

Q. Do you know all the goods that are bought by contract? A. Well, I think so, pretty well, I think.

Q. Do you know it at all times? A. Yes, pretty well.

Q. If the Commissioners gave an order to the secretary to ask for tenders, are you made aware of it? A. No, in that case I would not.

Q. Then you wouldn't know? A. No, but I mean to say I know pretty well what we have existing contracts for.

Q. By routine? A. No, because I know—well, I follow the advertisements for contracts and I know pretty well what is called for.

By the Chairman:

Q. Now, you purchase either by catalogue prices or by telephone inquiries, and sometimes you ask for tenders by letter? A. Yes, sir.

Q. Have you any line as to the amount upon which you choose the different courses, or do you just do in each case as you think best? A. No, if I have enough time, it is only current prices, we are generally in a hurry to get them and if I have enough time I always get prices in writing, but if it is in a great hurry, in that case I telephone to get prices from the trade, and then there are other goods that are standard goods, and I know the market prices and discounts—they come to me every time there is a change of discount, for it is understood that I am on the jobbers' list, and I get these discounts. In that case I don't need to telephone for I know exactly what it will cost.

Q. You get the requisitions for certain goods? A. Yes.

Q. You decide that you shall buy for a certain price on a catalogue price? A. Yes.

Q. Or you call up and ask for a price by telephone? A. Yes.

Q. Or you decide that there is time to ask for prices by letter? A. Yes.

Q. That is all in your own discretion whether you shall do it or not? A. Yes, I have to use my own judgment.

Q. Well, is your judgment in these matters ever actually considered, gone over systematically by anybody else? A. Well, I suppose so, I suppose the Commissioners —I never issue a requisition without it being submitted to the Commissioners with the prices and all.

Q. Do you send up the list during the week or at some specified time of what you have to date or how do you submit it? A. I do not keep any accountant at all, it is all done in the accounting department.

Q. But how do you send up your reports so that they come before the Commissioners? A. I submit my requisitions every day.

Q. Every day? A. Yes, every day.

Q. That is you send them in every day? A. Every day at noon my requisitions are ready, everything that comes in in the afternoon we hold it over until the next day.

Q. When you say your requisitions are ready do you mean to say before you send your order out it goes up to be initialled by the Commissioners? A. Oh, yes, in every case.

Q. You have no power of buying yourself? A. No, except in the case of emergency, but even on that I have to submit a requisition anyway.

Q. That is you have to submit the requisition afterwards? A. Yes.

Witness retired.

GEORGE WASHINGTON STEPHENS (re-called):

Examined by the Chairman:

Q. You affirm the statement that except in cases of emergency all purchases through the purchasing agent are authorized by the Board? A. By a Commissioner or all the Commissioners.

Q. When would a Commissioner do it? A. Daily, in my own case.

Q. Being chairman? A. Yes, being chairman.

Q. Then, in cases where you have individually authorized a purchase, does that subsequently come before the Board? A. Subsequently these requisitions are passed in review by my colleagues.

Q. And made a minute of? A. No, there is no minute made, and anything I am in doubt about myself I set aside for their approval.

Q. Is there any record kept to prove that that is the case—suppose some time afterwards your brother Commissioners say that they have not seen that, what would there be to indicate that they had? A. Nothing but the initials on a requisition of the Commissioners that initial it. As a rule at twelve o'clock these requsitions pass in review by the Commissioners and one of the Board signs them.

Q. Besides the man who authorized it? A. They come to the Commission from the purchasing agent, signed by the head of the department from which they come to the Commissioners for their approval, and the Commissioners initial that, not all the Commissioners, but the initials of one Commissioner are on every order issued and the approval of the order is generally speaking the approval of the Board, that is, all three members see the requisition.

Q. But what I want to get at is this—a requisition which has been authorized by one of the Commissioners has his initials upon it to show that he has authorized it, but what is there to show afterwards that the other Commissioners have really passed that requisition? A. Nothing but their acknowledgment that such is the case.

Q. There is nothing on the face of it to show? A. No.

Q. For instance, supposing you or any of the other Commissioners wanted to deceive the other Commissioners, and you put your initials on a thing and allowed it to go through without telling the other Commissioners about it, and subsequently discussion arose over that, there would be nothing on the face of the requisition to show that they approved of it? A. No, nothing.

By Mr. Ducharme:

Q. Would it be much work to enter it in a minute book every day? A. It would be a pretty big job.

By the Chairman:

Q. Do you mean to say there is not a list kept from day to day and hour to hour of all requisitions? A. Oh, they are all on record.

Q. But shouldn't the initials of the Commissioner who has initialled that, be entered in the record and that record always passed before the Board? A. I think that could be done, I think a requisition bearing the number and date should be kept and the whole submitted regularly to the whole Board.

Q. Don't you think it would be a real protection to some of the Commissioners afterwards? A. Yes, I think it would, I think that is a valuable suggestion.

Q. Is it a safe guide to the Commissioners and a safe guide to the Board? A. Quite so.

Q. With reference to the purchase of material, Messrs. Price, Waterhouse & Co. draw attention to the purchase of timber, and they say its quality is passed upon by Mr. Lunan, the superintendent of the saw mill, and he accepts it altogether, and they suggest it might be a proper safeguard that some independent opinion as to

the quality should always be required. It would seem now under the present arrangement as if Mr. Lunan could do just as he likes on that point, and therefore it would seem to be open to collusion? A. Lunan has been found to be such a severe critic in the acceptance of timber, that the Commissioners have felt that his judgment on timber was about as good as we could get. But I see your point.

Q. The investigators have not suggested, nor do we suggest, the question as a criticism on Mr. Lunan, who may be the very best official in the world, and probably is a good one, but wherever one official in connection with public works, especially where public money is being paid for a thing, has the absolute say, without check, the practice is open to collusion? A. Quite so.

Q. You are depending absolutely upon the honesty of one official? Q. Quite so, I see your point. That can be taken care of in the manner in which you suggest by having an outside person.

Q. Some certificate should be provided that would be a check? A. In ordinary cases we have a contract with the Canadian Inspection Company.

Q. For most of the material, but that does not cover timber? A. No, and if your suggestion is what I think it is, the same system in connection with timber would cover that.

Q. Precisely, and I do not see why they should test all other material and not test the timber, which is one of your principal purchases. While we are upon that point, I would like to ask you concerning this statement by Messrs. Price, Waterhouse & Co.—they say that collections for the rentals of spaces and other amounts and so forth, are made through the secretary treasurer's department, bills being made out as the accounts fall due, but that no entry is made in any account book until the amounts are paid, except that there is a rough memorandum book, in which are recorded certain particulars of the bills as they are sent out, and they suggest that there should be a complete record of rentals kept in a book specially set aside for that purpose? A. That could be done.

Q. Doesn't it strike you as being a very proper suggestion? A. Quite so.

Q. And they say the same remarks should apply to revenue derived from all sources, such as elevators, cranes and things of that sort, so that the record should not be a mere record of cash receipts but should be a record of charges, and when the cash is received that should appear also upon the same record, so that the record will show the condition of the account all the time, otherwise the way the thing is, after a thing has dropped out of sight there would be nothing to show that it had dropped out of sight? A. Quite so.

Q. Real estate—now to what use is the land put that is now on Papineau avenue and was purhcased in 1903 from McLaren? A. That is known as the harbour yard, and there are stored quantities of useful stock and material, machinery equipment, and there is a small machine repair shop there in connection with it.

Q. That is outside of the limits of the port? A. Quite so.

Q. Isn't there anything within the limits of the port which could be used for that purpose? A. The property that was purchased a year ago is to be devoted to that and it adjoins the harbour property.

Q. Then what will become of this particular land? A. It will be sold.

Q. I see it cost $25,230 in 1903? A. Yes.

Q. Ought it to bring more now? A. Yes, it ought to be worth more than that now.

Q. Then you have some land purchased from E. Rafferty? A. That is a property bought to replace the harbour yard and for the accommodation of a locomotive house.

Q. That also is outside of the harbour limits? A. Yes, that is outside.

By Mr. Ducharme:

Q. Whereabouts is that? A. On Notre Dame street—well you know where the Codlin Company is.

Q. Hochelaga? A. Yes, it is just this side of the Codlin Company.

By the Chairman:

Q. You paid $10,000 in cash and assumed a mortgage for $14,000 bearing six per cent and the balance of the purchase money payable in three years bearing interest at 5 per cent? A. Yes.

Q. Are the mortgages not payable off before maturity? A. I think they are.

Q. Then why pay six per cent instead of paying them off? A. Well, the whole purchase was made out of revenue, and had we had enough revenue we would probably have paid for the whole thing, mortgages and all.

Q. You bought it out of revenue? A. It really should have been bought out of capital, but had we waited until we could have got the permission to use the capital for that we would have lost the opportunity of buying this land.

Q. That would be a good reason for having bought it in that way, but there is no reason you should not put it into capital afterwards? A. Quite so.

Q. But the balance of the purchase money bears interest at five per cent. There is no reason why that should not be put into capital and funded and paid for? A. None whatever.

Q. Has your Board legally power to acquire property outside the limits of the Harbour? A. I believe so.

Q. Have you taken the advice of your counsel on that subject? A. No, not that I know of.

Q. I see that city rates are being paid, city tax rates are being paid on that property.? A. Quite so.

Q. Well, you are only a Board acting for the Crown, are you not, you hold the property in trust for the public? A. Yes, and really the title to this property is in His Majesty the King.

Q. Well I always understood that taxes were not leviable against the King. A. I am entirely of that view, sir.

Q. It appears to me you should consider first whether your present act does give you power to hold any property outside of the strict limits of the port of Montreal, and, in the next place, if you have any power, it should be made clear that the title is in the King and therefore the taxes are not collectable, because it seems to me absurb that the Crown should be financing the Harbour of Montreal on the ground that it is a national institution, and when it has a piece of property anywhere in the City of Montreal it should be paying taxes on that property.

By Mr. Ducharme:

Q. Was that purchase of property for $72,000 approved of by the Marine Department? A. Oh, I think so.

Q. Do you know? A. Will you please ask me that question this afternoon and I will give you the answer.

The Commission adjourned.

At 2.30 in the afternoon the commission again met and the examination of Mr. Stephens was continued, as follows:

Examined by the Chairman:

Q. You kindly showed us the pay-lists of the employees from the beginning of the month of June to the end of December last year, and I asked you if you would have a comparative statement made up of the totals? A. Yes.

Q. Is that ready? A. It is, sir.

Q. And this document which you now produce is the result? A. That is the result.

Q. I notice that it by columns states the number of men employed in the various departments of your works? A. It does, sir.

Q. For instance, there is a traffic department, which means the moving of freight in your cars, I presume? A. Generally, the handling of the goods by rail.

Q. And this will be what you call railway employees? A. Yes, railway employees.

Q. Then there is a machine shop, a shipyard, does that mean a machine shop in the shipyard under Captain Yale? A. Quite so.

Q. And what class of work generally would these people be engaged in? A. General machinery and ship repairing.

Q. Then they would largely be of the mechanic class? A. Carpenters, mechanics and handy men.

Q. Then there is the grain elevator No. 1, these would be an irregular class of employees about that elevator? A. Yes.

Q. For all grain elevators the same thing would be true of the regular staff? A. Quite so.

Q. And the dredging fleet would mean those men employed on the dredges? A. Yes, derricks and tugs, &c.

Q. Then the wharfs and shore works, what class of men would those be? A. Labourers.

Q. And what are they doing? A. Construction work, building quay walls, railways and paving, general outside work.

Q. Largely of the labourer class? A. Largely, yes.

Q. Now, this list is prepared by weeks? A. Week by week, yes.

Q. And it also gives a comparison of the number employed under each department each week in the years 1911 and 1910 for a comparison? A. Yes.

Q. So far as the traffic department is concerned, during the whole summer of last year that never operated much more—very slightly over fifty? A. The fluctuations in that department are very slight anyway.

Q. Some fluctuations would be only three or four from week to week? A. Quite so

Q. And in the month of September, 1911, there does not seem to have been any increase over the previous months? A. Quite so.

Q. Nor any excess work mentioned last year as compared with the same works in the previous year, that is as far as the traffic is concerned? A. Quite so.

Q. Now, with regard to the machine shop shipyard, I notice that all through the year 1911 there was a much larger number of men than in 1910; can you explain that? A. Due to the larger amount of work in hand in that department.

Q. What caused that increase of work? A. The building of a greater number of scows and tugboats, dredges, and possibly a greater repair casualty account.

Q. Now then, one may say upon the average there were three or four times more men used in that department than in the previous year? A. In the earlier part of the season, at any rate, there were three or four times as many in 1911 as there were in 1910; was that an exceptional increase in work not likely to be continued? A. No, I think that might occur any time.

Q. Were you launching out into an increase of your dredging fleet to any extent? A. Well, we had a pretty big programme of construction during the winter which would lead to a larger increase during the earlier part of the year and right through the whole season.

Q. The greatest number of men reached during the last year was in the week ending September 16, when there were 902 men employed in that machine shop shipyard? A. Yes.

Q. For the week ending September 9, it was 822? A. Yes.

Q. Then it increased eighty at the end of the next week? A. Yes.

Q. And then on the week ending September 23, it dropped to 892, so for that one week, which covered election day, there appears to have been—the number of men employed for the week ending September 23, which covered election day, was really ten smaller than for the previous week? A. That is so, sir.

Q. I observe that in that department the number of men you had employed during the latter part of 1910 was very much greater than during the earlier part of that year, can you explain why that occurred? A. Well, the rush of work towards the end of the season might very well account for that.

Q. There was a rush of work? A. Yes, that is the machine shop, yes, sir.

Q. Then I observe another thing, and that is this, the month of November, the number of persons employed in the machine shop was about the same in the two years, but in 1910 they declined in quite a marked way in December, but in 1911 the numbers appear to have been kept up very well during the end of last December? A. Well, that is accounted for by the fact that the shop work planned for the winter of 1911 was greater in amount than the same work for the winter of 1910.

Q. Well now, we will pass over the staffs of the grain elevators, because they are practically a fixed number all the time? A. Practically yes.

Q. A small number, too? A. Yes.

Q. And then with regard to the dredging fleet, there were more men employed week by week in 1911 and 1912 than in 1910, what caused that? A. Well, the progress at the dry dock increased the amount of dredging that was possible.

Q. And you put more dredges into commission? A. Every available piece of a plant we had in the way of a dredge or derrick was put on that work.

Q. And were you building new dredge material for general harbour work during the early part of 1911? A. I could not be just sure it began in the early part of 1911, that is the shipyard, is it?

Q. That is the dredging fleet? A. That is comparative, entirely.

Q. And the increased number of men is due to the increase in the plant and material? A. Yes.

Q. Anyway, the number of men engaged in that particular function was not increased during the month of September or about election time? A. No.

Q. In fact, you retained larger figures in October and November than previous? A. Yes.

Q. Now in regard to wharf and shore work, let us see how we work out—according to this list there were fewer men at work in 1911 than you had in 1910 under that heading? A. At times that may very possibly be.

Q. Can you account for fewer men in 1911 than you had in 1910? A. Well, there is a good reason for that. The construction of the whole work going on in different parts of the harbour would prevent a large part of the paving or road construction under this department, and therefore fewer men would be required to carry it out.

Q. I find, in adding up the list, that the following number of men appear to have been employed on the dates given.

Week ending September 2	1,939
Week ending September 9	1,869
Week ending September 16	1,976
Week ending September 23	1,947
Week ending September 30	1,877

—so that during that month the lowest number of men employed was 1,869 and the highest 1 976, a variation of nearly 107, and for the week ending September 23, which would cover election day, the number employed was 29 less than the highest number and only 79 more than the lowest number during that month. The week ending September 23 the number of persons employed was actually 29 less than at the end of the

previous week. There does not appear to be anything in this tabulation to show that the pressure of election week caused an increase in the number of employees? A. No.

By Mr. Ducharme:

Q. I see in the last week of December you reduced your men in the machine shop by 303? A. Well, the shop closes down for Christmas and New Year's, you see.

Q. Were these men all taken back again in January? A. If there is work for them to do they are taken back. Where we have a full shop in the winter time, which is a condition the Commissioners desire to have because it keeps the men together and keeps the thing going, and then when it comes summer you have your organization together without having to organize it again. Of course, as it used to be, when there was nothing to do in the winter the shop staff had to be reduced.

By Mr. Lake:

Q. Have you engaged before this year in the construction of new dredges? A. Yes, the Board has been dredging, the building of a dredge may be this year, that is this year the machine shop will build a new dredge and next year it may do something else.

Q. And have no new dredge on hand? A. Exactly, and have no new dredge on hand, and the damage done through the summer to the plant may fill the whole shop.

Q. With repair work? A. Yes, with repair work.

By Mr. Ducharme:

Q. I suppose you have your pay-list? A. Yes, surely.

Q. Will you show me the pay-list of the 30th of December? A. Certainly, I will get it.

Q. I only want the machine ship dredging fleet? A. That is 1911?

Q. Yes, 1911 or if you have them all you might bring them all.

By the Chairman:

Q. In your balance sheet you are carrying a claim against the government which is of very ancient date, amounting to $1,112,890.72, which is the result of a report from the Finance Committee, dated February 24, 1909, which is the difference between amounts which the old Board claimed to have expended on behalf of the government and the amount which the government refunded. On the other side of your balance sheet you are carrying a credit of $1,094,027.95 made up of a surplus between the years ing to $794,027.95. Now, if that old outstanding claim against the government were 1851 and 1875 of $300,000, and out of another surplus commencing in 1878, amount- wiped out with the bookkeeping surplus which is there, and the two accounts quite disappeared, don't you think in view of all that has taken place and in view of the fact that yours is a new Board starting out with a new policy, it would prevent complications to have these accounts closed up? A. I think it would be as well. No good purpose can be served.

Q. It is impossible for your Board to recover such a claim as one million dollars against the government—there are too many statements to be made on one side or another, and in view of the fact that you are carrying pretty nearly the same amount as a surplus, made up of certain alleged reserves, I would suggest it would simply make the whole account appear very much clearer if you would simply wipe the whole thing off? A. I think that suggestion is a good one.

Q. Just clear it out and begin on a new sheet. Now, about that $1,872,000—how does that arise, will you just briefly explain? I think you did this morning but I want to get it in writing? A. That $1,872,000 is money that was borrowed from the public by an issue of harbour bonds, covering the amount and paying interest half-yearly at the rate of five per cent. This $1,872,000 is being reduced periodically as the bonds mature.

Q. They mature at different dates? A. Yes, at different dates.

Q. They are presumably in the hands of local parties to a large extent? A. Very largely held for investment.

Q. And naturally cannot be paid off, being at a high rate of interest, until they fall due? A. No.

Q. As they fall due is the money obtained for them by a debenture issued to the government? A. Yes, out of the loans accorded the Commission by Act of Parliament the maturing bonds are provided for.

By the Chairman:

Q. Who issued these debentures to the public, are they issued by you first of all? A. No, they are of a very long standing, fifteen, twenty-five and thirty years.

(At this point the Chairman Mr. Stephens had a conversation with reference to some suggestions as to organization which were made by the Chairman and which Mr. Stephens said he would take a note of).

By the Chairman:

Q. Is the suggestion at page 18 of this printed report from Price, Waterhouse & Co., that as a matter of internal check it is undesirable for the paymaster to be responsible for both the receipt and disbursement of money, more particularly if he does not in his receipts indicate fully where the money comes from? We would suggest that the position of wharfinger be entirely separate from that of paymaster, or, as an alternative, that the wharfinger should make out the slip for the dues, and give this to the person making payment, who could present this, with the cash, to a person from the cashier's department? A. Yes.

By Mr. Lake:

Q. I notice, in your first report after you had been appointed, that you made a statement that you intended to get a valuation, a physical valuation, of the property, and that you had employed, I think, the Canadian Inspection Company? A. Yes.

Q. Was that valuation made? A. Yes, that was done, we have it.

Q. You have not published that at all? A. Oh, no, that was for the information of the Commission.

Q. I would rather like to see that? A. Quite so.

Q. Have you had any valuation at all of all the properties? A. It is an appraisal valuation of all the assets. No. We have not had one since then.

Q. Who is it by? A. The Canadian Appraisal Company.

Q. And there has been none since 1907? A. No, none since then.

By the Chairman:

Q. Do you remember the question concerning the construction of a warehouse on the Tarte wharf? A. Yes.

Q. I presume that means a shed? A. Yes.

Q. Which is now going on? A. Yes.

Q. When was that work begun? A. That was begun about the summer of last year, I should say from memory.

Q. Do you know who made the plan? A. Maxwell & Co., the architects.

Q. Why did they make it instead of your own staff here? A. Because our engineering staff were so crowded with other work that we could not put them on it and I doubt if we had men specialists enough to do that sort of work

Q. It was a specialized work? A. Quite so.

Q. And as a matter of fact the staff were busy? A. As a matter of fact we were so crowded with work that we hadn't any one to put on anything any more than what we were doing.

Q. Then it would be the chief engineer's recommendation, I presume that some ... should be employed? A. Well, the chief engineer is a proud man and he likes to do everything that is of an engineering nature within the harbour limits, and I think his personal policy would be not to give any work out, but there are times when we must, in order to get ahead.

Q. Then, not only theoretically but actually the decision to pass it out was made by the Commissioners themselves? A. Yes, by the Commissioners.

Q. Well, when the plans were submitted from Maxwell & Co. were they found to be correct or were they altered in your engineering branch to any extent? A. Well, I think there were some considerable modifications in the plans in an endeavour to reduce the total cost, because, as the sheds are erected we must endeavour to make the rental pay the cost on the money that goes into them.

Q. Yes? A. And I believe that the first plans that came in, if my memory is correct, showed a two story shed and the cost of the two story shed exceeded the present need of that part of the harbour, so the ultimate plan that was decided upon was a one-story shed with foundations sufficient to add another story when the other story was needed.

By Mr. Ducharme:

Q. Who were the architects? A. Maxwell & Company.

By the Chairman:

Q. Who is Mr. Loignan? A. I don't know him, I don't know any Mr. Loignan.

Q. Were the plans returned to Maxwell & Company to have them corrected? A. Not exactly.

Q. It has been suggested that an unnecessary expense was incurred in giving out these plans to Maxwell & Company when they could just as well have been made in the office by the regular staff, especially by Mr. Gagnon, what have you to say to that? A. Mr. Gagnon of course is a structural steel specialist, his virtue is his knowledge of steel construction. The sheds on the Tarte pier are reinforced concrete and our engineering department being completely filled up with important work, and the need of these sheds imperative, it was thought good policy to get the work done by a responsible architect, and I believe the sheds as they stand will justify the policy which was adopted.

Q. In any case it was a bona fide exercise of discretion by the Commissioners? A. That is my view, sir.

Q. They thought it necessary and desirable to do it? A. Yes.

Q. And are satisfied with the result? A. Quite, so much so that we are building two more of the same kind.

Q. Where? A. On the same pier, on the opposite side of the pier.

By Mr. Ducharme:

Q. Are you aware that these plans were made by Gagnon—you say Mr. Gagnon was busy at something else? A. Yes, at general harbour work.

Q. Are you aware that Mr. Gagnon actually made the plans? A. I dare say Mr. Gagnon had actually to do with the modified plan or the suggested plan for the sheds.

Q. In case the other one would not suit that he would be prepared? A. Yes, but Gagnon did not submit to the Commissioners a plan as coming from himself.

By the Chairman:

Q. Well, if he had submitted it, having regard to the fact that he was a steel specialist and this was to be a cement pier, would you still think it necessary to get some one else to do the work? A. We certainly should.

By Mr. Ducharme:

Q. The principal point for which you went to Maxwell was not because you had so much work but you thought it better to go outside and get another man? A. In one way that is quite so, Mr. Ducharme. Two reasons existed, both of which were equally important. If we could not have gone outside of our own organization, we could not have the sheds last year and there was business uniting for the sheds; if we had to be able to increase our own staff under pressure we would have to get some specialist in concrete work to superintend the work.

Q. Then that was the main reason? A. That was the main reason.

By the Chairman:

Q. It might turn out that Mr. Gagnon made some plans, but it would not naturally follow that the Commissioners believed Mr. Gagnon capable of making the plans—in making advances from time to time in the wages of the engineering staff, does the Board act on the recommendation of the chief engineer? A. Not always, but they would be guided very much by what the chief engineer would recommend.

Q. There were some increases in February, 1911, and then in August, 1911, on the return of Ballantyne from Ottawa, can you suggest any reason why, having increased the salaries in February, 1911, there should be another increase in August, twice in one year? A. I would like to look at the increases themselves before answering that question. Did I go into this fully the other day?

Q. I asked you some questions about it, but not the question which I am asking you now? A. I don't just recollect the circumstances under which the increases were made. I could better answer that question to-morrow.

Q. Take a note—one of the questions I asked you was whether you could give me a reason for two increases having taken place in one year, particularly why the second increase which took place in the month of August, 1911? A. That question will stand and I will answer it as soon as I get the information.

WITNESS retired.

The Commission adjourned.

MONTREAL, May 29, 1912.

PRESENT.

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

HOWARD COULTON STONE, of the City and District of Montreal, architect, sworn.

Examined by the Chairman:

Q. You are an architect, Mr. Stone? A. Yes.

Q. Residing in Montreal? A. Yes.

Q. You are the architect for the Harbour Board of the building on section 15 of the wharf? A. I was.

Q. And did you make the original plans? A. Yes, sir.

Q. On which tenders were asked? A. Yes.

Q. And a contract was made known as the Thackeray contract? A. Yes.

Q. Well, I understand that Thackeray afterwards got into business difficulties and the construction of the work was put in his hands by the Board as a servant of the Board, to be built in that way? A. Yes, sir, Thackeray failed, after having been awarded the contract, and before having started the work.

Q. And has the building been fully completed? A. Yes.

Q. Under your supervision? A. Yes.

Q. And in the direct charge of Mr. Thackeray? A. Yes.

Q. Has the work been satisfactorily performed? A. Yes, eminently so. I think you will see that it speaks for itself after you have looked at it.

Q. Well, outside of the original plan a number of additions have been made? A. Yes.

Q. And alterations made as you went on? A. Yes.

Q. For which if it had been done by contract you as an architect would award extras? A. Certainly. I would say additional works rather than extras.

Q. For instance, will you name some of the things that are outside of the original contract and which have been done? A. The principal item is the first one, $2,470, which is a price received before work started for the propsed extra buildings and was awarded as a contract in addition to the other one. When the excavation was made it was found that the filled in earth was not suitable to build on and we had to float the building, that is spread out the footings and reinforce them with steel so as to distribute the load over a greater number of square feet to avoid settlement and cracks.

Q. Floating it means when you do not get down to hard pan, you spread out? A. Yes, to cover more square feet and to reduce the pressure per square foot.

Then the amount of $570 for building cells, well the intention was to install a police station there, and it was not definitely known just what would be required, and it was to be determined on later on and paid for as additional work. They didn't know how many cells they would want, or where they would want them placed.

Then cement steps, when we put in the buildings at the depth they had to go to carry them below the frost line, we found we had to excavate at a greater depth and give a greater height to the basement than we had contemplated doing, which gave us a higher ceiling and better room in the basement and that necessitated these steps going down from the street level to the new level.

Then the concrete floor—when the cells were building after having gone over several police stations here in town with Mr. Fennell, we concluded to arrange the floors of these cells so that they would drain naturally so that they could turn a hose into these rooms and wash the whole thing out. That was not contemplated before. The next two items in my statement might be taken together. The plans called for the west basement to be merely a storage room for wheelbarrows and tools used by the employees about the docks and we intended to leave the granite—I think it is granite or scoria block as a floor of that room, which would have given us perhaps a room six feet high which, for storage, was thought enough. For the same reason that we had to take the greater depth out of the east wing we had to go deeper in making this excavation, so we were able to get a better room there with more height and they decided to clear it for a coat room for the workmen with lockers there and toilet accommodations for them. This was all thought out when we found that we had a greater height to use. Then terra cotta lining in division walls—we are furring these walls to make a regular room of it so the condensation would not form on the inside.

Attending the furnace—that work which had to be done. We employed one of the labourers at least two hours a day and that represents the time that was put on it. I started in with the plumber to begin with and asked him to attend to it and I found that the end of the first pay roll that he had been putting an expensive man one of his plumbers and devoting his time to it and I told him to discharge that man that there was no need of such expense being involved and we put this other man on to

use his two hours at small pay and it made a lot of difference. He had run up some thirty dollars on me before I realized that he was charging his time on it.

Q. That concludes the so called extras and additions? A. Yes, that is all that is on that list.

Q. I see you have estimated a value of that of $3,796? A. Yes.

Q. That estimate is your own and also— A. The contractor's. I got his opinion of the value of those things first and I went over them and checked them off myself, that is why I arrived at the conclusion that they are right. It is not a case of my having made these figures but I checked them. The $2,470 item was inevitable, no matter who has the contract, these goods were absolutely necessary and then the Commissioners elected to have the other changes because they get that much more accommodation in the building. These things need not have been done, only they wanted the room.

Q. The employment of labourers, mechanics, and others on that work would be by Mr. Thackeray? A. Oh, yes.

Q. And do you happen to know by whom the time was kept? A. There was a timekeeper in the employ of the contractor as there is on buildings generally.

Q. Well, when he became a servant of the Harbour Board? A. His time sheet for labour was handed over every two weeks just as soon as it was possible to check off the time.

Q. He was practically the foreman of the job for the Harbour Board after he fell down on the contract? A. There was quite a difference between his tender and the first one, and they called me down here and asked me what I thought about cancelling the contract and dealing with the next man, and I said I thought if they choose to go on with this man this way and employ him the probability was that they would save some money on it, and it has resulted that way.

Q. You think so? A. Yes, I do.

Q. This man had been employed in works with which you had been connected before, and you knew his work? A. Yes, he built the Royal Bank, the head office for me.

Q. And you were satisfied? A. Yes, he is as good a mechanic as there is in town and we wanted to stick to him. This work is a public work and you get all kinds of men bidding on it and there was a temptation on my part I must confess to give it to Thackeray if for no other reason than to get a man that I knew could do it right.

By the Chairman:

Q. In any case not following the general rule the result has justified your expectations and you feel quite satisfied with it? A. Yes.

By Mr. Ducharme:

Q. Thackeray was known to be weak? A. Yes, Thackeray was always weak. He was weak when he built the Royal Bank. But he was a good mechanic, and the people knew that who consented to his employment on that very building. There is no better business man in Montreal than Mr. Herbert Holt, who was president of the bank, and he knew the man's ability and concluded that inasmuch as he could draw his money every month, 85 per cent of it, he ought to be able to pull it through and he did. He had the bank to back him. Financial standing in moderate sized buildings does not amount to a great deal because they get their money nearly as fast as they can use it.

By the Chairman:

Q. Assuming that the amount for which they tender is a fair one, they may be helped along to finish it? A. Oh yes, every month they get from 85 per cent to 90 per cent of the money that is coming to them.

Witness retired.

The Commission then adjourned.

MONTREAL, May 29, 1912.

PRESENT:
Honourable A. B. MORINE, K.C.,
Chairman.

R. S. LAKE, Esq.,
G. N. DUCHARME, Esq.,
Commissioners.

FRANK HODGE, General Superintendent of J. S. Metcalfe & Co., aged 46 years, sworn and examined by the chairman:—

Q. Where were you born, Mr. Hodge? A. In the town of Eton, eastern townships.

Q. When did you enter the employ of Metcalfe & Co.? A. May 16, 1910.

Q. Did you commence on the elevator work here? A. I was appointed a few days before I came here on the 24th of May.

Q. You were employed for the purpose of taking charge of the elevator work here? A. Yes.

Q. What are you by trade? A. A carpenter.

Q. You never were with Metcalfe & Co. before? A. No.

Q. Did you ever have anything to do with elevator building before? A. I had.

Q. Where? A. With James Stewart & Co.

Q. Building elevators where? A. Buffalo, Baltimore and Fort William.

Q. Then your experience in the building of elevators is considerable? A. Yes. it is.

Q. Where were you employed just previously to entering into the employ of Metcalfe & Co.? A. Fort William on the Grand Trunk Pacific.

Q. How did you come to get a job with Metcalfe & Co.? A. I wrote and asked them for the job.

Q. Your duties are implied in your name, the general superintendency of that company? A. Yes.

Q. That would cover the observation and charge of the whole work as it proceeded? A. General supervision.

Q. Now, the men under you were paid through the Harbour Board officers? A. They were.

Q. You yourself received your pay from whom? A. J. S. Metcalfe & Co.

Q. Is there any other paid by J. S. Metcalfe & Co.? A. There is now.

Q. There is now? A. Yes.

Q. Who? A. Dan Sutherland.

Q. What is his duty? A. Superintendent.

Q. He is a sort of an assistant to you? A. Yes.

Q. The time-keepers on the work would all be servants of this Board? A. Yes, all servants of the Board.

Q. Now, with reference to the employment of men for work on the elevator, will you just tell us what has been the method of employment? A. Well, the men of course, we start in and get a crew of men, of the different grades, different classes of men that we need, mechanics and labourers, engineers and so forth. After the job is running a man comes to us and seeks employment—

Q. We are now speaking of the elevator? A. Yes, he is hired, and generally a slip made out stating what he is hired for and the rate per day at which he is hired, and

he presents that slip to the time-keeper and the time-keeper issues him a check and then he is registered on the pay roll, and the slip generally tells to which foreman he is assigned. After he has been assigned by the time-keeper to one foreman or the other he is put to work. That is the method of employment.

Q. Now, with reference to the classes you have here, just name the larger of the classes of men working under you there? A. Well, there are mechanics—

Q. That would mean carpenters? A. Yes, carpenters.

Q. And iron workers I suppose? A. Yes, iron workers, engineers.

Q. By which you mean what? A. Steam engineers.

Q. For steam hoisting engines? A. Yes, and machinists and millwrights.

Q. And concrete mixers? A. No, because they come under the labouring class.

Q. The largest class of all would be the labouring class I suppose? A. Yes, and they are subdivided.

Q. Into what? A. Practically into two classes, the better class would be divided into the concrete gang and the steel gang. Those who mix and place the concrete are those who take and place the reinforcement steel.

Q. What is the general rate of wages for them? A. Well, the better class of men some are paid $2.25 and some $2.50, but it is about $2. And then the labouring class, handle material and do the cleaning up, and unload material, the roustabout class.

Q. They get how much? A. Well, there has been an advance in wages, they were started at 17½ cents an hour.

Q. How many hours a day? A. Ten hours a day.

Q. That would be $1.75 per day? Yes, $1.75 per day, and we have had to raise it to $2, 20 cents an hour, but there has been up to this spring a large proportion at $1.75.

Q. Who has fixed the rate of wages? A. It has been fixed by the Harbour Commissioners.

Q. Fixed by the Harbour Commissioners? A. Yes.

Q. Has it been the general rate of wages prevailing for such men in other works? A. Oh, yes.

Q. You are quite satisfied about that? A. Yes, the city of Montreal have raised the wages to $2.25, and I couldn't keep my own men at $1.75 when they could get $2.25 there. Lyall & Sons and Mr. Deakin have paid more.

Q. Your rate of wages then has not been higher than the prevailing rate? A. No, I must pay that to keep the men.

Q. You havn't paid more? A. No.

Q. The Board has not been unduly increasing the rate of wages in the city of Montreal? A. No, it has not, no, sir.

Q. The method in which these men are employed—has the selection of the men been exercised by you personally? A. No, it could not with such a large number of men. It has been practically most of it through the assistant, Mr. Sutherland.

Q. Since he became your assistant? A. Before that he was general foreman. I might explain about that. This spring I was advanced to the position of general superintendent—previous to this time I was superintendent, on this one job.

Q. Now you have other jobs? A. Yes, I have other jobs to look after, and I devoted probably two-thirds of my time on this one here, but we took another job in the western part of the city.

Q. And Sutherland was general foreman on the job? A. Yes, engaged by the Harbour Commissioners and in their pay.

Q. And then when you were advanced to general superintendent he entered into the service of the Metcalfe Co.? A. Yes.

Q. And he now controls the selection of men? A. Yes.

Q. And before that as foreman he did it too? A. Yes, sir, either he or Mr. White, who is the general millwright foreman and he employed the millwrights. Mr.

O'Brien, if he had a good man and wanted a good man, he is a labourer foreman, he would pick a man out and bring him up to Mr. Sutherland.

Q. Mr. White and Mr. O'Brien were servants of the Board? A. Yes, both of them.

Q. And Mr. Sutherland as general foreman was a servant of the Board? A. Yes, at that time.

Q. Well now, if these men wished to put on too many men on the work at any time, what course was taken to prevent that? A. That could not be done, that is under my supervision.

Q. The number was under your supervision? A. Yes.

Q. And did you, not merely in theory, but in practice, did you exercise that authority? A. I have, yes, as the work progressed, and it must be understood that we have been running that job day and night, and have done a large amount of overtime work to get the work finished, and have had to have large gangs of men. At certain times when the work would be slack there were a large number of men laid off. Now, there were some 16 or 18 men let out the day before yesterday. We found they were not performing their duties as they ought to, and I want to make it very strong that there was not a man stayed on that job who was not capable of doing his work.

Q. To the best of your knowledge and ability and the advice of your foremen? A. Yes, now it must be expected that where there is a large number of men employed on a work of that class there are a number of men that we cannot get along with. It may go on for two weeks, but if he is soldiering, he gets caught sooner or later, and off he goes. All you have to do is to discharge the men that are not doing the work right, and I discharge them by hundreds. We have used the very best of our ability and judgment in the employment of men on that work.

Q. Have you ever been interfered with in dismissing men by anybody? A. Not particularly, no.

Q. You said not particularly? A. Well, I have had men that would be dismissed and would run up to the Harbour Commissioners.

Q. With what result? A. The result would be that they would be turned right straight back to me.

Q. Have the Harbour Commissioners listened to complaints of that kind so as to interfere with your work? A. They have not, they come back to me or the report has come back to me that they told him you must satisfy Mr. Hodge, that is understood. There is correspondence to that effect that any man on there must satisfy me.

Q. And the Commissioners have not personally attempted to interfere with your discretion? A. They have not, absolutely they have not. I have had a free hand on that job.

Q. You have had a free hand on that job? A. Yes.

Q. During the election time last year and some time before that did the Board or any member of the Board interfere in any way with your discretion in the employment of men? A. They did not.

Q. They did not put any pressure on you to take men on? A. They did not.

Q. Did they try to make you dismiss men? A. No, sir.

Q. Have you ever been interfered with in any dismissal of men? A. I have not.

Q. Have you ever dismissed any men because of any influence upon you? A. I have not.

Q. Have you yourself ever dismissed men from political reasons? A. I have not.

Q. Or have you yourself ever employed men from political reasons? A. I have not.

Q. Or have you ever allowed political bias to interfere with you in any way in the transaction of business in connection with this job? A. I have not.

Q. Now the chairman has told us that he has sometimes had applications for a job at the elevator and that the parties who make such applications have been sent to you in charge of the work, asking you to give them work if you had it, but no more than that? A. No more than that.

Q. Is that a true statement? A. That is absolutely a true statement.

Q. Have you ever taken a man on the work that you absolutely did not need, merely because the Board or some member of the Board asked you to put him on? A. No, Sir.

Q. You say that in reference to the number of men that should be employed at any time you have exercised the discretion? A. I have.

Q. I presume you would tell the general foreman or somebody else to have more mixers or carpenters or more men if he could get them? A. Every day I pass over the works, sometimes twice a day, with the general foreman, that is we see the work progressing, and as I see the work going on I may say to the foremen: Dan, we must have more men here or we must have more men there—you must take a portion of these gangs here and put them there or we must get this portion of the work ready to bring things close together. When I have told him to put on men he has done so, and when I have told him to discharge men he has discharged them, and of course when he discharges a man he discharges his poorer class of men, he is not going to discharge a good man.

Q. In the matter of choosing who should be discharged and who should not be discharged, has your foreman discretion to do as he likes in the matter? A. Well, that has been up to the foreman, but before that man can be discharged his case has to go before the general foreman. He is made out a discharge slip, if we find a man incompetent, a man loafing or not attending to his work his foreman makes out a discharge slip, and if there is any particular question about that, that man has redress to the general foreman. Now, if we think there is anything in the line of patronage or jealousy or anything of that kind with that one foreman and we know him to be a good man he might be transferred and put in another gang.

Q. That is because of friction between the foreman and the man if you think the man should not be discharged he may be put in another gang? A. I have exercised judgment in that way, but of course, it is poor policy for a superior officer to interfere to any large extent with his under officers if he is going to maintain any kind of discipline, because the men will get to say: "I will go and see the big boss," and if the big boss says it is all right you can go and chase yourself.

Q. Have you at any time had more men at work on elevator No. 2 than properly ought to be at work? A. I have not.

Q. Have you allowed men to idle away any portion of their time? A. Not to our knowledge.

Q. When I say allowed, of course that implies knowledge on your part and that it has been allowed? A. No, absolutely no.

Q. Upon the whole what have you to say with reference to the labourers you have had employed and the mechanics and others there as to their fitness for work? A. In measuring them up with labour in different parts of the Dominion, it is the poorest class of help in Montreal of any city in the Dominion. That is based on an experience of twenty years in work in Canada.

Q. In what respect do you say that? A. In the first place in education—they are deficient in education. And another thing, they have no incentive to work. Their principal object is to beat their employer. I want to make it very clear that generally there is an impression among the men, especially the French Canadians, I say that without bias, that simply because this is a government job they have a perfect license to do as they have a mind to.

Q. Have you been able to remove that impression on your work? A. No, we have not. I won't say that by this time, by to-day, that we havn't a large amount of

that wiped out, because after being here pretty near two years, we have boiled down to a standard that is pretty efficient. In the first year, 1910, I certainly had my troubles.

Now intoxication and drinking is another thing that I have had to fight. They are inveterate drinkers. We can go down there and pick up gin bottles by the bushel, and we have had to fight that right along. I have had to discharge foremen and men, competent men, who would indulge in that, and I could not tolerate it on the work. In the first place the work is too high, and in the second place we discharge every man who is found incompetent. And then we have the foreign element, the Pollocks and Italians to deal with. In this kind of labour, of course, they do not speak our language, and it is hard to get along with them, but we have to take them because we cannot get others.

Q. Have you found any difficulty in getting labour enough? A. At times in the summer time it gets pretty scarce.

Q. When you need it most? A. Yes, in the summer of 1911 I was put to it pretty hard. My work absolutely lagged there for forty or fifty days, and we had a carpenters' strke—they were out two weeks, and it practically disorganized me for a month.

Q. Comparing, as far as you have been able, the labour on the elevator with labour generally given to contractors, have you been satisfied with your own labour? A. It is on a par.

Q. It is on a par? A. Yes.

Q. Save and except that difficulty growing out of the political question you have mentioned? A. Yes.

Q. And their thinking it was a government work? A. Yes, a private contractor does not have that to contend with.

Q. Now you spoke a moment ago as to the lack of education being one bad factor in the situation, that is the Montreal situation? A. Yes.

Q. In your work, such works as the construction of an elevator, is lack of education really a bar to a man's usefulness A. Yes, sir.

Q. In what way? A. I will give an illustration. During the early part of the construction I used to make a template, putting the figures on and showing the dimensions. We handed that over to a couple of French Canadian carpenters and the foreman went about his work for an hour or two, and then I passed around there, and these carpenters had entirely made it out of the dimensions, from 18 inches to a foot out of the dimensions. I picked up the sketch and said, "Can't you read this, and what are you doing here?" Now he had spoiled his time and material and it had to be torn up and rebuilt.

Q. From lack of education? A. Yes, lack of education.

Q. And was that man able to do the work as far as mere manual work was concerned? A. Yes, sir.

Q. But from lack of education he didn't know what he was to do? A. Exactly.

Q. Now has a large proportion of your labour been done by the French Canadian people? A. I suppose from 65 to 70 per cent, that is of the better class of the mechanics.

Q. About 65 to 70 per cent of the better class have been French Canadians? A. Yes, you know we hadn't that many French Canadian labourers.

Q. Why is that? A. They have been supplemented by the Poles and Italians.

Q. But have graduated into a higher class? A. Oh, yes, into a higher class. We get them in concrete work and steel work and as mechanics.

Q. And as mechanics they are pretty good, I suppose A. As mechanics they are as bright as any one. I have an illustration—I have a man to-day on the work, Mr. Delorme, he came to work for me at $2.50 a day as carpenter, and to-day he is general carpenter foreman and we are paying him $5 a day. When he came to me he couldn't speak a word of English and he is gone to work and is mastering the

English language, and he is in charge of the English and French Canadian carpenters on the job to-day.

I have a fellow by the name of Belair working in the mill, who started in there at $1.75. That boy has charge of that mill to-day. He came to me and wanted to talk to me to know how to get along, and I said, "You are a good bright boy and I want you to take a course in the correspondence school."

Q. The correspondence school? A. Yes, when I get an opportunity I want to take a boy up there. I want to make it plain that there has been no discrimination. If a man fills the bill he is my man.

Q. And then generally you would say if the French Canadians were better educated and especially if they could speak English they would have a bright future before them? A. He has a bright future. As evidence of that I have been working for a number of years in the State of Massachussetts and I have employed a great many French Canadians who have come there and got acquainted with our language in the schools, and I have had no trouble with them there. They are bright men, and I could refer you to dozens of instances of men filling high positions. I have one fellow particularly, and who was the general superintendent of the Builders' Iron foundry in Providence, Rhode Island, when I was inspector there.

By Mr. Ducharme:

Q. How long ago was that? A. About 8 or 9 years ago.

By the Chairman:

Q. Then your prescription for the French Canadian is, educate, educate, educate? A. Absolutely. I have said that they are a very intelligent people. Any of my men will tell you that if you give those boys an education there is nothing the matter with them.

By Mr. Ducharme:

Q. What do you call an education? A. A good common school education.

Q. Do you mean instruction or being well brought up? A. Oh, a Frenchman is well brought up.

By Mr. Lake:

Q. You mean a technical education? A. Yes.

By the Chairman:

Q. You mean the three "R's," reading, riting and rithmetic? A. Yes, that is what they want.

Q. But I do not presume that they need a technical education but that a good common school education is sufficient, your French Canadian is a born mechanic and will rapidly come to the front? A. He will if he is bright. They are bright, they are inventors, they are geniuses.

Q. Well now then, excuse me for asking you in view of what you have said, but I want to put a direct question to you—have you ever known this Board or any member of it, or any of its employees to discriminate adversely against any men on racial lines? A. I have not.

Q. Have you ever known a man to be engaged because he was of one race or the other? A. I have not.

Q. Have you ever known a man to be dismissed for a similar reason? A. I have not.

Q. Do you have any considerable number of British born citizens working for you? A. Quite a percentage now.

Q. And some Cockney Englishmen amongst them? A. Oh, yes, largely Scotch.

Q. I wish to speak only of the Englishmen and more particularly of the Cockney portion, the London man, have you some of them on the work? A. I presume, I couldn't say.

Q. You have from time to time? A. Yes.

Q. Have you had any large number? A. No.

Q. Is there any cause for that? A. No.

Q. Have you shown any preference in favour of them? A. No, nothing at all I could tell you one thing, he doesn't understand conditions here very well. The general foreman hired a man, he was English, he was probably a Cockney, he came there with his tools, in a box about 18 or 20 inches long and about 6 or 8 inches wide and so deep, and the general foreman said, "Is this your kit of tools?" and he said, "Yes," and the foreman said, "We don't want you, you are not a mechanic," he began to upbraid us because we had hired him and wouldn't put him to work Now he has been hired as a millwright.

Q. I take it from what you say then that no very large proportion of your employees were at any time newly arrived from England? A. No, they couldn't be.

Q. Why? A. Because we havn't room for them.

Q. Furthermore, in the main, as far as you could if the men you took on were any good have they been continued on the work? A. Oh, yes, we have men there who have been with us from the start of the works.

Q. I have a statement here made by some man that mostly all the workmen on the elevators were newly arrived from England? A. It is an absolute falsehood. I will take you gentlemen right down and introduce you to them.

Q. You have already told us that the majority are French Canadians? A. Yes.

Q. And have been? A. Yes.

Q. Have you anything to do with the quality of materials used from time to time? A. I pass on practically all the material.

Q. In the main the cement which you used has been obtained from the Canadian Cement works? A. Yes.

Q. Will you tell us any special reason why that has been the case? A. Simply because the Canadian Cement works control all the cement works in Canada.

Q. There is another cement to be bought in Canada? A. Now I pass on the material as to the quality but as to the purchasing, I have nothing to do with that.

Q. Or you have nothing to do with the question of price? A. No.

Q. Then with regard to the quality, when cement is to be bought do you examine as to the quality or only when it is actually brought on the works? A. The inspection is passed by the Canadian Inspection Co., as to tests, its boiling test and its tensile strength.

Q. And the contract being made with which you have nothing to do, and this cement being tested through the Inspection Company, it gets down to the actual work and then you have to do with it? A. Yes.

Q. Well now, have you at any time rejected cement that has been brought there? A. I have not had occasion to reject a single car.

Q. You have not had occasion to reject it, by which you mean that the quality has been good? A. Yes the quality has been good.

Q. And satisfactory? A. Yes, not long ago I made this statement to the chemist of the Canada Cement Co., that the cement which they had furnished us had given the best results for the building of bin walls in connection with our sliding forms of any cement I have ever used in the construction of elevators.

Q. By the way, just explain that "sliding forms" is it a form which is used in the making of the bin? A. Yes, the form is constructed showing the contour of the bin wall; and then these forms are lifted by means of jack screws or jack rods, and as the cement is poured in, the form is gradually raised, it is a continual operation.

Q. Does the bin grow wider as it grows upwards? A. It does not.

Q. Is it the same size upward? A. Yes, the forms are tight together and made in such a manner that you shove them right up.

Q. And it hardens a little? A. Yes, that cement sets itself—it is a peculiar feature of the Canadian cement that it gives me a chance for a great range of work, and in running these walls we made as high as 6 feet 8 inches on an average.

Q. In what time? A. That is in 24 hours. I might say there has never been that record made in bin construction.

Q. What would be the best before that? A. About 3 to 4 feet, I think about 4 feet on the Fort William elevator.

Q. And you ascribe that improvement generally to the quality of the cement? A. Yes.

By Mr. Lake:

Q. What cement did you use at Fort William? A. We used Belleville cement, and I think we had some Canadian Lehigh.

By the Chairman:

Q. That was as good as anything that you had previously used? A. Yes, it was good cement.

By Mr. Lake:

Q. Have you ever had to wait for cement here or has it always been delivered as you required it? A. Deliveries are prompt, whenever an order has been placed it has been shoved right up to us.

By the Chairman:

Q. There is a cement works here in the port of Montreal? A. Yes.

Q. And your stuff has been supplied straight from that? A. Largely from that.

Q. Consequently it has been in the main quite freshly made, new cement? A. Well, the cement has been put in the bins and is all seasoned.

Q. It is not old or slack or anything of that kind? A. No.

Q. You say it has been uniformly good? A. Yes, uniformly good.

Q. And in every respect the elevator in the matter of cement and concrete has been highly satisfactory? A. Highly indeed. The manager for the Canadian Stewart Company visited the elevator several days ago and pronounced it the finest piece of concrete work on the continent.

Q. What is the Canadian Stewart Co.? A. Elevator builders, having built the Grand Trunk Pacific elevators, they have built an elevator at Goderich and an elevator at Peterboro.

Q. Then outside of the cement what has been the chief material which you have used in the elevator? A. Stone and sand.

Q. Stone and sand? A. Yes, and lumber and reinforcing steel.

Q. The steel comes from where? A. It has been furnished by the Steel Company of Canada, the largest portion of it.

Q. They have their headquarters where, Hamilton? A. No, Montreal. We have had some steel from Hamilton though.

Q. Outside of these things that may be called raw material the next largest item has been I suppose in machinery? A. Well, machinery yes, is a lot of course. Well there is a lot of structural work and plate work that you cannot really call machinery.

Q. That is matter of special purchase by contract? A. Yes, special purchase and contract.

Q. And upon the whole you have had nothing to complain of in the work concerning that? A. No.

Q. There has been some slight delay in delivering? A. Yes.

Q. It is usually so in any building? A. Yes, the reason for that generally is owing to the tie up of material throughout the country.

Q. When it has been delivered it has not failed to be up to specifications? A. It has not. If it has it has been turned down.

Q. Then has the general progress of the work on the elevator been satisfactory to you? A. It has.

Q. It is not yet ready for taking in material? A. It is not.

Q. Do you expect that it will be ready soon? A. In about 15 or 20 days.

Q. That is a few weeks later than the time estimated? A. I presume so.

Q. What has been the general cause of such delay? A. The carpenters' strike for one thing, the scarcity of labour in the early part of this construction, and the severe winter we have had to contend with. We have had a pretty hard fight all winter to keep the work going on in order to get ready.

Q. After you are ready to take in material will you still have to complete the conveyor system? A. Well, we will be ready to take in and ship as far as Tower L, and then there will be the completion of the north gallery system and the marine tower.

Q. You will be ready to act as far as Tower L in the number of days you spoke of? A. I think so, I cannot say positively, for there are many little details to look after, but we are in fair shape now.

Q. There has been an addition constructed to the elevator not originally intended to be used for storage purposes? A. Yes.

Q. Which will of course not be ready for some time yet? A. Some time this fall.

Q. That will not interfere with the operation of the main elevator? No, we made temporary arrangements so as to use the main elevator.

Q. Now, Mr. Hodge, you have no personal connection with the Montreal Harbour Board? A. No, sir.

Q. You have nothing to hide and nothing to fear from them? A. Nothing at all.

Q. You have no personal interest in the business of Metcalfe & Co. other than that you are employed by them? A. That is all, I am employed by them.

Q. And therefore you have no interest either direct or indirect in giving the evidence you have given here to-day? A. None at all.

Q. Then in relation to the general conduct of the Harbour Board and its members and officials towards the construction of this elevator, having regard to the fact that they are trustees for the public, have you seen anything to justify fault finding with them? A. No, I have not.

By Mr. Ducharme:

Q. What has been your occupation as a rule, and your trade? A. I have been a superintendent for the last 15 years or more.

Q. In elevators or other things? A. General construction, industrial plants and other buildings.

Q. Before that what were you doing? A. I learned the trade of carpenter.

Q. You were a carpenter.

By the Chairman:

Q. In making the frames for the concrete are the frames subsequently broken up? A. Well, we have used—sometimes you probably mean instead of frames the word "form."

Q. I am only now referring to a note of some complaints which I have, and which speaks of frames for concrete which were demolished and the wood thrown into a dump? A. It is reasonable enough that on the construction of a building of that magnitude that there is going to be a large percentage of lumber that will be destroyed in building and taking down those concrete forms, but I wish to say that a large amount of that lumber has been used over two and three and four times. Now, our

sliding forms would be used a second time and would be used a third time. We use them to build the first half and then to build the second half and now we are using them to build the annex, so that is three times they have been used. And all the material for the bin forms and hoppers have been used the second time and will be used the third time. A large portion of our material has been used a number of times. In the fabricating of forms of that type, the lumber is received in longer lengths and must be cut to dimensions in order to get the proper size and shape. If long enough to be used a second time it is used a second time, if, for instance, in making the forms for bins, or columns or girders, that stuff is cut up into short lengths—now a large amount of that stuff has been used for a second, third and fourth time. Our column sets were all made and have been used over a number of times, and in every instance where lumber can be used more than once it has been done.

Q. Well, then from what you say, there would from time to time be a certain amount of wood which could be no further used? A. Yes.

Q. And that would be thrown into the discard? A. Yes, thrown into the discard.

Q. Then I have a note here that in the autumn when the work was diminishing it took about 30 men to gather up all this wood, and when it was all placed they had it all taken away a few feet from there into another dump, and afterwards they took this wood piece by piece and pulled out the nails, while there were others that were driving nails in so that the remainder could pull them out, in order to make the work last longer. What have you to say to that? A. We are in the habit of cleaning up our material as it comes from our forms in order that it can be used a second time. It is cheaper to clean up the material than it is to buy lumber at $20 or $24 a thousand.

Q. And that cleaning up would include the taking out of nails? A. Yes, some individual might have passed by there and didn't know what he was talking about and made that report. Now that is the way it looks to me.

Q. What could be meant when he said that the others were driving nails in at the same time? A. I cannot conceive.

Q. Unless it were making the other forms? A. It couldn't be making forms if they were cleaning up the stuff there. There might be some case though where a hammer or the claw of a hammer wouldn't get hold of a nail to pull it out and to make it a smooth place they would take a hammer and drive the nail in, so the nail wouldn't stick out.

Q. That would be in the course of cleaning up? A. Yes, I would like to say that that work has been under the direction of Mr. Hugh Patterson.

Q. He is a Scotchman by name? A. Never mind what he is, he is a conscientious workman, and he has industriously looked after that end of the work.

Q. I didn't mean to ask what he was by way of implying anything against him, but rather something in his favour. I thought if he were a Scotchman he would not allow any waste to take place? A. That is right, no waste.

By Mr. Ducharme:

Q. So far as you know this thing did not happen? A. No, why should it? Why should I tolerate it?

Q. But did it? A. No.

By the Chairman:

Q. That work you say would be in charge of Mr. Hugh Patterson? A. Yes.

Q. He is still in your employ? A. Yes, still in our employ. We have cleaned up this lumber and taken care of it and piled it up and taken care of it, because there was value in it. He didn't want to see it wasted, we couldn't afford to see it wasted.

Q. Who would have charge of cleaning up all snow and putting it into wheelbarrows and throwing it over Victoria wharf? A. Mr. O'Brien.

Q. He is still in your employ? A. Yes.

By Mr. Lake:

Q. Well, still on the question of timber, what was your opinion as to the quality of timber? A. The quality of lumber has been of the proper kind required for the work.

Q. And you are satisfied? A. Yes, I am satisfied.

By Mr. Ducharme:

Q. Now, Mr. Hodge, last summer you had a big lot of men working there? A. Yes.

Q. Didn't you have more than you really wanted? A. No, sir.

Q. You are positive of that? A. I am positive. I would like to ask this question: How is a man who is not intimately connected or acquainted with the class of work to be a judge as to how many men should be employed?

Q. That is not the question—we are asking you for a knowledge of the facts and nothing else. Now were some of those men working in cement, bricklayers, &c., supposed to be working day and night, extra time? A. We have had to work a lot of our men overtime, because of our inability to get men to work two shifts right through. I want to explain now, that in running concrete our concrete floors and other parts of the work, that after a floor has been laid and floated off, the cement does not get down to a condition in which it can be trowelled until perhaps some time in the night, and I would go over in the day time, and if good work is produced it must be a continual operation and that work must be watched.

Q. Were you there at night? A. I have been there considerable at night.

Q. Did it ever come to your knowledge that the men were loafing or sleeping while they were supposed to be working? A. Yes, lots of times, and they have been discharged for doing it.

Q. What was the salary that these men were getting, the wages? A. With reference to the cement finishers?

Q. Yes? A. They were getting from 25 to 30 cents an hour.

Q. What kind of men were you employing at that work? A. A mixed gang.

Q. Did you find them very often sleeping like that? A. No, I never caught them sleeping, but I would hear this indirectly from some of my other men, some of my trusted employees.

Q. And it was on their report you discharged them? A. Why, sure.

Q. Were you aware you were going to be called at a witness? A. No.

Q. Did nobody approach you on this question? A. No.

Q. We were talking a minute ago about waste, a complaint was made that there was a waste of time? A. Yes, there may be chance for argument on that. I have done a large amount of this class of work, and I have handled it successfully. It is a matter of judgment. We do not go ahead and do a piece of work unless in our judgment we assume it is possible and in the best interest.

Q. But did it come to your knowledge that these men were there playing with this lumber? A. No, it did not.

Q. And if it did happen it would be Mr. Patterson that would know about it? A. Yes.

Q. You did in the course of last summer increase the wages of the men? A. Yes, we did.

Q. When you say we did, who did? A. The harbour commissioners

Q. Were you in their employ then or in the employ of the Metcalfe people? A. I have been in the employ of the Metcalfe Company all the time.

Q. You have never been in the employ of the harbour commissioners? A. No.

Q. You say that in 1910 you had a lot of trouble with the men? A. Yes.

Q. Well in 1911 you got along better? A. We had a better organized gang, the gang had been weeded out and in better discipline and organization.

Q. Wouldn't that apply more to the latter part of the summer of 1911? A. Oh no, because I had got my organization in good shape and weeded out the men by the fall of 1910.

By the Chairman:

Q. One season's experience had helped you to do that? A. Yes, largely.

By Mr. Ducharme:

Q. Were you ever asked last summer, in September to put on more men? A. To put on more men?

Q. Yes, asked by anybody? A. Not to my knowledge.

Q. Did anybody come and ask you to keep on men for a little while? A. No, sir, it has been absolutely in my own hands. I have never been asked to put on any men and I should have resented it.

Q. Now you said you did complain about a few of your workmen there not understanding your orders, the French Canadian people? A. Oh not particularly, the Pollocks and Italians were the same.

Q. You were speaking in English to those people? A. Yes.

Q. You did not speak to them in their own language? A. I give but very few orders to any of the men. These orders are conveyed to the men through their foremen, and as largely as possible men of their own nationality have been put in as foremen over them. We have had to do that to get any results.

By the Chairman:

Q. That is a French Canadian gang would have a French Canadian foreman? A. Yes, or an English foreman who speaks French.

Q. As far as possible that would be? A. Yes.

By Mr. Lake:

Q. Have you a large number of Italians and Pollocks employed? A. They are coming and going all the time, I cannot say a large number, perhaps 100 or 150 on the job, and there are possibly 1,000 men employed there.

Q. Possibly 10 per cent of them would be Italians and Pollocks? A. Yes, possibly 10 per cent or possibly 15 per cent, but understand it was a class of labour that I cannot get the other fellows to do.

By the Chairman:

Q. And that was simple labourers work, plain lifting and pulling? A. Yes, and unloading material and handling cement and things of that sort.

Q. As a matter of fact to-day the commonest kind of labour is being done everywhere by that class of labour? A. Yes, both in the Dominion of Canada and in the United States.

Q. And you cannot get the Anglo-Saxon or the French Canadian in this country to do that kind of work? A. No, he won't do it.

By Mr. Ducharme:

Q. You are expected by Metcalfe & Co. to see that proper diligence is carried out in the performance of that work? A. That is my duty.

Q. But are you expected by them to do that? A. Why certainly.

Q. Do you know their engagement with the Commissioners? A. No, I never saw any contract, and I don't know anything about it.

By the Chairman:

Q. You are there to drive that work to the best of your knowledge and ability? A. That is exactly it, Mr. Morine, that is what I am there for, and I have been doing it.

Q. You have put your shoulder to it and have done the best you could? A. Go and ask some one else, don't ask me.

Q. Well you have done your best? A. Yes, go and look at the work. I want to say that I welcome every inquiry as to the job, everything has been open and above board, patronage has not existed on the job, the inspection of material has been rigid, and the best class of work has been performed and executed under all existing circumstances and conditions. The job speaks for itself.

Q. Personally you are proud of the job and proud of the way in which it has been done? A. I am, absolutely; it has given me a reputation on both sides of the line, as well as across the water.

By Mr. Lake:

Q. The cement is being supplied in bags at the present time is it not? A. Yes.

Q. And you are returning the bags? A. Yes.

Q. Do you find there is any waste in that? A. Yes, there is a percentage of waste, yes.

Q. A very considerable percentage of the bags not returned? A. No, I don't think so, considering everything we have used. There has been perhaps more in the last few months where I have used a considerable number of cement bags for handling sand up in the cupola. These bags have all been dried out and returned, and I have had a couple of fellows sewing up the torn bags that could be repaired.

Q. So practically the loss is slight, but the loss is bound to be something on a job of that sort with the amount of cement in bags that has been made? Do you know of any reason why the price of cement should be greater at the present time than it was last year? A. I cannot enter into a discussion of that kind, because I do not know. I don't know anything about the prices.

Q. You say you don't know anything about the prices? A. No, I couldn't tell you what we pay for a barrel of cement any more than the man in the moon.

Q. Have you used the Vulcan cement in the past? A. I don't know that I have ever used the Vulcan cement in Canada.

By Mr. Ducharme:

Q. Did you use much cement in barrels? A. No, none at all.

Q. All in bags? A. Yes, all in bags, it doesn't pay to handle it in barrels.

By Mr. Lake:

Q. Cement which has been brought across the water has been brought in barrels? A. Yes, it has been.

Q. Have you ever used any in bags which has been brought across the water? A. No, I have not, in fact I haven't used any imported cement for 14 or 15 years. I used some in Boston some years ago, some German cement in barrels.

Q. It would cost you more to handle cement in barrels? A. We coudn't, because we used so many bags of cement to a batch of concrete. If it was in barrels you would have to take it out and measure it. Our Canadian bag of cement weighs 87 pounds, and we proportion our cement to that.

Q. Of course you could change the system of making the measurements in some way if you were handling all the cement in barrels? (No answer.)

By the Chairman:

Q. In 1910 you did not use much cement on the work? A. No, we put in about 10,000 yards of concrete.

Q. You just got ready to commence the principal construction before the cold weather came on? A. Yes, sir, we put in the foundation.

Q. And practically the cement work was done last year? A. Yes, from the 10th of April up to the present time all cement work has been done above the ground.

Q. That is this year? A. No, from the 10th of April, 1911, up to this time.

Q. I notice the cement used in 1910 from the Canada Cement Company was in paper bags? A. Well, no, I couldn't say positively.

Q. Did it come some of the time in paper bags? A. I have seen it in paper bags and I have used it on other jobs, but I do not think on this job here, but I would not be positive.

By Mr. Lake:

Q. Did you do the foundation work? A. We have done everything that has been done.

By Mr. Ducharme:

Q. These bags for cement were returned by whom? A. By the Harbour Commissioners and credit given for the same.

Q. Did you return these bags? A. Yes, to the cement company.

Q. Yourself? A. Well, under my orders.

Q. That is what I want to know? A. They were returned off the work.

By the Chairman:

Q. And do they come and get them? A. No, we put them in a freight car and ship it to them.

Q. You put them in a freight car down at the elevator and ship them down? A. Yes, if an accumulation of bags takes place there the clerk will happen to see them and order them shipped down.

By Mr. Ducharme:

Q. Then when these bags were shipped an account was kept of them? A. Sure an account was kept. We have a record of every bag shipped in the job office.

Q. Is it the Metcalfe Co.'s office? A. No, the Harbour Commissioners' office there on the works. That is, everything outside of myself and Mr. Sutherland is Harbour Commissioners, and all the servants there are Harbour Commissioner servants.

Q. That cement is sent you to be employed on the works there? A. Yes.

Q. Which are under your control? A. Yes.

Q. That cement is used according to your orders? A. Yes.

Q. Then these bags come into your possession after that moment? A. Yes.

Q. What do you do with them? A. As soon as they are emptied and cleaned, they are bundled, I think 50 in a bundle, and they are put in a freight car and counted, and a bill of lading made, and a bill sent to the Canada Cement Company.

Q. But I want to know what you do yourself with these bags? You say, 'We'—now some one must control these bags and I want to know how they are handled. A. When a package of bags accumulates in the shed they are cleaned and sewed up and put in the bundles, and I will go to the clerk and say he had better ship the bags.

Q. Which clerk? A. Bishop.

Q. A clerk in the employ of the Harbour Commissioners? A. Yes, every man there outside of Mr. Sutherland and myself is in the employ of the Harbour Commissioners.

Q. When you give an order to this office of the Harbour Commissioners and ship the bags, do you keep an account of the bags? A. They do.

Q. I am asking you, do you? A. No, I do not.

Q. You do not keep an account either of the cement that you receive? A. I cannot keep the accounts. We have a set of books and every bag of cement that is coming in is checked in, and every bag of cement that is used is checked out.

Q. How is it checked in or out? A. We have checkers there to check that material.

Q. The Commissioners have checkers? A. Sure.

Q. Do the Harbour Commissioners attend to that? A. Yes.

Q. And they attend to the bags themselves also? A. Yes, they attend to the bags.

By the Chairman:

Everything that is done on the bags is done there in receiving, or sending out, or keeping accounts, or anything of that sort is done by the servants of the Harbour Commissioners, and Metcalfe & Co., themselves are only the engineers of the Harbour Commissioners.

By Mr. Lake:

Q. But Mr. Hodge, you are in charge of the works and you treat all the servants of the Harbour Commissioners as if they were your servants for the time being? A. They receive orders from me.

Q. They all receive orders from you, and you have control of them in regard to obedience to your orders and control of the work? A. Yes. I will explain that, say I order ten cars of cement. I order that through Metcalfe & Co. I send a requisition to Metcalfe & Co., and Metcalfe & Co., send their requisition to the Harbour Board. Then they order from the cement company 10 cars of cement to be sent in, and the cement company makes out an invoice of the cement and sends it to the Harbour Board. In the meantime I get the cement. Then that invoice is sent down to be checked up as to quantity.

Q. To where? A. At the office, at the job office. When the cement comes in that cement is checked up and if the account is right we O.K. the invoice and send it to Metcalfe & Co.

By Mr. Ducharme:

Q. Who is "we"? A. The clerk.

Q. But that is not you, you say "we"?

By the Chairman:

Q. It is sent to Metcalfe & Co.? A. If the quantity is right that bill is passed.

By Mr. Ducharme:

Q. But the man who puts the O.K. on it is an employee of the Commissioners?

The CHAIRMAN.—Yes, but under the control of Metcalfe & Co., who are responsible for that work.

The WITNESS.—If there is anything wrong about the cement, and the quantity is not there, then there is a letter written explaining that there is a shortage, or if there is a lot of damaged bags or anything out of order in that car of cement, there is a letter written and attached to the invoice sent to Metcalfe & Co. Then as engineers Metcalfe & Co., get after the cement company to find out what is the trouble.

By Mr. Ducharme:

Q. It is the same office that checks in your cement that checks out the bags? A. Yes, the same office checks out the bags.

By the Chairman:

Q. No difficulties have arisen in the settlement of accounts with the cement company have they? A. Nothing that I know of, but it is out of my jurisdiction as to the settlement of the accounts.

Q. There have been shortages at times? A. I presume so.

Q. And damaged bags I suppose? A. Yes, damaged bags and shortage.

Q. Have they been regularly brought to the attention of the cement company? A. Yes, they have been regularly brought to their attention.

Witness retired.

The Commission adjourned.

Public Service Commission

1912

EVIDENCE

RE

DREDGING

PUBLIC WORKS DEPARTMENT

OTTAWA, February 15, 1912.

The Commission met at 2.30 o'clock this afternoon.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

R. S. LAKE, Esq.,
G. N. DUCHARME, Esq.,
Commissioners.

WILLIAM M. DUNLOP, sworn.

Examined by the Chairman:

Q. What is your occupation? A. Chartered accountant.

Q. Residing in Ottawa? A. Yes, sir.

Q. You are a chartered accountant of the province of Ontario? A. I am a member of the Dominion Association of Chartered Accountants and also a member of a Provincial Association of Ontario.

Q. How old are you? A. Fifty-nine years.

Q. Accountancy has been your profession through life? A. Yes.

Q. And before taking up business in Canada where were you engaged? A. I was located with the English accountants in New York City. Prior to that I was with English accountants in London, England, a firm of Chartered Accountants, there.

Q. You were employed by the Government of New Brunswick in connection with the Public Accounts of that province? A. Yes, the Provincial Government.

Q. In the years? A. In the year 1908.

Q. And in the course of your experience have you had any connection with dredging accounts or business? A. No, not directly with dredging accounts, construction accounts involving questions of progress estimates, &c., I have had.

Q. Construction of what? A. In railway construction work and power development work I have had large experience especially in regard to progress estimates for such work.

Q. You were requested by the Commission to do some work for it in connection with dredging work in the Department of Public Works here? A. Yes.

Q. And you have been employed from what date? A. From the first of February.

Q. Up to the present time? A. Yes.

Q. And your work is still continuing? A. Still continuing in the examining of the work especially of the contract dredging work.

Q. By request you have prepared a schedule of officials in dredging branch with details as to their positions and work? A. Yes, officials in the employ of the dredging branch with details, so far as possible, of the work done by them.

Q. That is the statement which I hold in my hands? A. This is the statement prepared by me.

Q. Is Mr. James Howden the superintendent now working in the branch? A. No, sir, he is incapacitated by ill-health and is in a hospital in Montreal at present.

Q. Has he been there for some time? A. For some time.

Q. Have you learned in the department that he has been ill for some time? A. Yes, he has been very considerably absent during portions of the year 1911, from the office management.

Q. He is 72 years of age and has been 23 years in the service? A. Yes, that is stated there.

Q. Does the office seem to require superintendents more than is at present afforded? A. Yes, very distinctly.

Q. Then you think that the absence of Mr. Howden or at least of some capable official in his place, is a serious matter, do you? A. Very serious indeed, to the efficiency of that branch of the Public Works Department.

Q. Is there any particular reason at this season of the year in that connection? A. Yes, in regard to arranging for the current operations which should be started in the spring and also especially regarding the preparing of specifications for the purchasing of necessary supplies required in connection with the departmental dredging operations.

Q. Who is in actual charge of the office there at present? A. Mr. E. B. Godwin, who is entitled assistant superintendent.

Q. He is 56 years of age and has been 32 years in the government service? A. Yes.

Q. How does he strike you as to capacity for so large an operation as the dredging? A. I think Mr. Godwin seems to lack experience and training in executive ability which is really necessary in the administration of that branch.

Q. The dredging operations have grown very largely in recent years? A. Very largely from the year 1907.

Q. Within those years has it more than doubled? A. It has almost trebled, it has much more than doubled since the year 1906.

Q. Without asking you at the present moment as to the capacity of each of the individuals there, leaving that for further consideration, what have you to say with reference to the organization of the office at the present time, its existing organization? A. The general efficiency of the office is now impaired, and there is a distinct lack of management affecting both control and discipline, both the necessary control and discipline which should be duly observed in the government service.

Q. Having regard to the extensive operations both of government dredges and the large volume of contract dredging, does the organization of the branch in charge strike you as at all adequate for the work? A. No, sir.

Q. Is it even measurably such as you think it ought to be? A. No, it is far short at present of being properly organized.

Q. And as to the methods adopted in the offices are they at all adequate? A. No, sir.

Q. You think then there is need of concrete reorganization, do you? A. If I might use plain language, they have an old-fashioned and involved laborious clerical service.

Q. And even of such a fashion is it adequate to the demands of the situation? A. I do not think so.

Q. You think then that a complete reorganization both as to personnel and as to methods is urgently called for? A. Most decidedly.

Q. Outside of the dredging branch what officer is immediately above it? A. I might state the assistant engineer of the Public Works Department.

Q. Mr. Dufresne? A. Mr. A. R. Dufresne, who has really the immediate charge of the technical work in connection with the dredging operations.

Q. You have up to date presented two interim reports in writing? A. Yes.

Q. One dated February 5, and the other dated February 12, Exhibits 2 and 3? A. Yes.

Q. In Exhibit 1 you deal at some length with the question of management and control about which I have just been asking you? A. Yes.

Q. In the latter you also deal with the question of purchasing supplies? A. Yes.

Q. And you especially mention that the firm of Lewis Bros., Limited, of Montreal, obtained a contract for hardware for the year ending March 31, 1912? A. Yes.

Q. That contract was on the basis of prices for the goods delivered per order at any point of destination between Quebec city and Windsor, Ont? A. Yes.

Q. And does not specify any particular quantities for any particular destination? A. No.

Q. So that the sellers might be called upon to ship the whole amount the extreme distance or the whole amount the shortest distance? A. The shortest haul.

Q. What have you to say as to a contract of that kind? A. It is difficult to understand the fair basis on which a contract arranged so might be made, as there would at the commencement of the contract not be sufficient information for the department to conclude for purchasing at such prices.

Q. What you mean to say then is that in order to find out that the prices for the articles were fair or not the department would have to know how much of each article would really be deliverable at a particular place, and would have to add the freight rate on those articles to the price of the article? A. Quite.

Q. And consequently a calculation could not probably be arrived at as to whether the prices were fair or not? A. Quite so, that is what I mean.

Q. Well, then, what have you to say to this proposition that where goods have to be delivered at many places over such a very large area as is covered by that contract they should be bought at places nearer the point of demand? A. Yes, nearer the point of requirement.

Q. As, for instance, those near Quebec at Quebec? A. Quite so.

Q. Near Montreal, at Montreal? A. Yes.

Q. And near Toronto at that place? A. And near Midland at Midland. For the Georgian harbour, for Victoria harbour, you could buy at Midland if departmental dredging was being done.

Q. Providing that suppliers of sufficient size were at that place? A. Yes, to offer right prices.

Q. To offer low prices? A. Yes, that is right.

Q. You might find that for use at Midland, for instance you get lower prices in Toronto than locally? A. Quite so.

Q. But there would be no reason to send to Midland all the way from Montreal? A No. sir, that is quite what I mean. The system of goods being tendered for, freight paid has only been adopted by the dredging branch within the last three years and prior to that the goods were tendered for at the ordinary lowest prices at the point of supply.

Q. And the department would pay the freight? A. Yes.

Q. At the point of supply you mean where the supplier has his business? A. There are the two things, the point of supply and the destination point.

Q. This which I hand you is a copy of one of the contracts with Lewis Bros., one of the tenderers? A. Yes, one of the accepted tenders.

(Document filed as Exhibit 4.)

Q. Prices are mentioned for various things. The last clause of the specification says "delivery to be made f.o.b. when and where directed?" A. Yes.

Q. At any points east of Ottawa as far as Quebec and west of Ottawa as far as Windsor, Ont.? A. Yes.

Q. You said, Mr. Dunlop, that generally speaking, the contracts covered what three classifications? A. Hardware, chain, and iron supplies. Iron would include steel bars, &c.

Q. Are they all covered in this same form of tender? A. Yes.

Q. Speaking of that, Lewis Bros. tender, you supply me a memorandum of the amount of material received from Lewis Bros. from May 24, 1911, under that con-

tract, and the total was $6,528.81? A. Yes, this information I believe is correct. The information as to the $6,528.81 was supplied by Mr. E. S. Godwin, assistant superintendent of dredging.

Q. Up to the present date you had not been able to pay any attention to the question of dredging by the departmental plan? A. No, sir, not yet.

Q. But have confined yourself entirely to the question of contract? A. Contract dredging work, I have confined myself so far to the expenditure made on contract dredging work for the fiscal year 1909-10.

Q. Your assistants are proceeding with the examination of the same work for 1910-11? A. My assistants are proceeding on the same lines of examination into expenditures on the contract dredging work for the fiscal year 1910-11, and it is my intention to follow same into the dredging work for 1908-9.

Q. That is to say the work being done at the Mission and Kaministiquia river, at Fort William? A. Fort William, in the Fort William district.

Q. That is being done by the Great Lakes Dredging Co.? A. Limited, of Port Arthur.

Q. Under a contract made the 27th day of June, 1906? A. Yes, the department number of contract being 5992.

Q. And which contract was amended by a further contract dated the 4th day of June, 1909? A. No. 7339.

Q. What is the total quantity of yards dredged during the season of 1909? A. 3,573,062 yards. It is practically the season of 1909. 1909-10 was from April, 1909 to November, 1909.

Q. As a matter of fact the first bill was rendered on the 30th day of April, 1909, and the last on the 30th day of November, 1909? A. Yes.

Q. Those bills rendered in April would indicate that the work was done during the month of April? A. Yes.

Q. Then the total amount paid to the contractors by the department for that work was $739.411.74. That amount is arrived at by a unit price charged and allowed per yard. A. Yes, arranged by contract to be charged by yard.

Q. The contracts are expressed to be so much per yard with an allowance for distance more than a certain fixed distance? A. With an extra allowance for towing beyond a prescribed distance limit which is fixed in the specification.

Q. In your figures will you please examine this to tal and tell me where an extra allowance for distance beyond the prescribed limit was allowed? Was that allowed in many cases? A. In very many cases.

Q. In the contract 5992, the prescribed distance was 3½ miles from the mouth of the Mission river? A. Yes, there were two stated in that 5992, 3½ miles from the Mission and 3 from the mouth of the Kaministiquia river.

Q. And beyond those distances an allowance was to be made of one cent per cubic yard for every additional mile of towage as ordered? A. Yes.

Q. Take No. 7339, the distances were the same as in the previous contract? A. Yes.

Q. In the contract No. 7339 amending contract No. 5992, no changes were made as regards towing distances or extra per cubic yard? A. That is correct.

Q. What is contract No. 7170? A. It principally concerns materials, 25½ cents measured *in situ*.

Q. Contract 7170 was dated 27th February, 1909, and was made between the Great Lakes Dredging Co. and the King, and referred to the dredging terminal basin at the mouth of the Mission river, Ontario? A. Yes.

Q. Was the work covered by that last contract not also included in the previous contracts? A. By 7170? I think not, I think that refers to new work.

Q. Contracts 5992 and 7339 concern the dredging in the same places, the same dredging? A. They concern the dredging of the Mission river and the Kaministiquia river.

Q. Both cover the same dredging? A. Quite so.

Q. And one was only amending the other? A. Quite so.

Q. Then it was under those two contracts that these 3,573,062 yards were excavated in 1909? A. Under those two and also under contract 7170, and contract 7058 which referred to work at Port Arthur included there.

Q. What did contract 7158 refer to? A. That was before mentioned, between the same company and the King, was dated December 8, 1908, and referred to dredging at Port Arthur in Ontario.

Q. Then those four contracts covered the total of 3,573,062 yards? A. Yes.

Q. Upon what proportion of the total amount were excess towage rates paid? A. On 3,038,927 cubic yards.

Q. Is it correct to say that 6/7 of the total amount excavated appears to have been towed beyond the limit prescribed in the specifications to the contract? A. Yes, I think it will work out about 6/7.

Q. You have supplied us with a statement which shows the allowances paid for extra towing beyond the mileage limit for the work done under the contracts you have mentioned in 1909? A. Yes.

(Document filed as Exhibit No. 5).

Q. The extra mileage in that table varies from one cent a yard up to 6c. a yard? A. Yes.

Q. Where 6c. is allowed in the table as an extra, it means that they have been allowed for towing it 6 miles further than the prescribed limit? A. Quite.

Q. I notice several cases by the table in which while the unit price per yard stated in the contract is 9c. they have been allowed 15c.? A. Yes.

Q. The 6c. being for extra? A. Extra towage.

Q. Under the contracts the allowance grew as the extra distance grew, did it not? A. Yes, one cent per mile per yard was specified by the contract. Paragraph 29 of the Specification to contract No. 5992, reads as follows:—

> "Prices mentioned in the tender shall include towing a distance not exceeding 3½ miles to the dumping ground and the contractors are to accept one cent per cubic yard additional for every additional mile of tow that may be ordered."

Q. In the weekly report returned to the department once a month, prepared and signed by the inspector, and certified by the engineer in charge, the distances hauled would be set forth? A. Yes.

Q. In what way would that distance be set forth? A. Mileage and fractions of mileage towed.

Q. As for instance? A. As for instance 3·7 or 3·6.

Q. Meaning 3⅞ or 3⅝ as the case might be? A. Yes.

Q. Where the towing distance was more than 3½ miles from the mouth of the Mission river or more than 3 miles from the mouth of the Kaministiquia river to the depositing point, how would the allowance be made if the extra distance were less than a mile or less than two miles or less than three miles as the case might be? A. In every case where the distance towed was greater than the distance prescribed, a full cent per yard was charged and allowed no matter how small the excess distance might be if the excess distance was a mile or less than a mile; and similarly, if the excess distance were more than a mile and less than two miles, two cents would be allowed although that excess might be only 1 ⅛ miles.

Q. You mean to say that the full allowance for a mile was allowed in every case, although the excess distance towed might be only one-tenth of a mile? A. Yes.

Q. Does any question appear to have been raised, so far as the records examined by you go to show, on the ground that if the excess distance were only a proportion of a mile, only a proportion of a cent should be allowed per yard? A. No.

Q. You have seen nothing in the records to show that the department has ever questioned that point? A. No. The bills of the Great Lakes Dredging Co. have been passed as rendered.

Q. The claim of the company for extra haulage has in every case been allowed by the engineer in charge? A. Yes.

Q. Have you noticed any objection made by the Auditor General's department or by any person else upon that point? A. No.

Q. Of course such an objection might have been made and put in the records of the department without your seeing it in the dredging branch? A. Quite so.

Q. In 1909 the amount charged for extra towage appears by Exhibit 5 in the quantities dredged under contracts 5992, 7339 and 7170 to have been $54,007.85? A. Yes.

Q. Can you tell me what would have been the amount allowed for extra towing on the quantity covered by Exhibit 5, if the contractors had only been allowed ½oc. for every one-tenth of a mile of extra towage? A. No, I have not yet worked that out. I have commenced the calculation of that amount but have not yet finished it, and will supply it at a later date.

Q. But have you gone far enough to know that the distance will be considerable? A. Very material indeed.

Q. Will it run up into some thousands of dollars? A. Yes, many thousands of dollars

Q. You have been speaking about inspectors and engineers in charge. Who was the engineer in charge at Fort William in 1909? A. Mr. W. P. Merrick.

Q. And at Port Arthur? A. Mr. E. B. Temple.

Q. For work done under 7058 at Port Arthur who certifies? A. Mr. E. B. Temple.

Q. The resident engineer at Port Arthur? A. Yes.

Q. For work done under the other three contracts you have mentioned, 5992, 7339, 7170, the engineer in charge at Fort William, Mr. Merrick, would certify? A. Mr. W. P. Merrick.

Q. Then are there inspectors at Fort William? A. Yes.

Q. More than one? A. Yes, usually one for each dredge, a different man signed the weekly reports for each dredge.

Q. How many dredges would there be at work? A. There were 7 dredges working in the Fort William and Port Arthur district.

Q. Did each dredge always work at the same place or would they sometimes be moved from one work to the other? A. Mixing up, going from one port to the other.

Q. When you say there were 7 dredges, you mean 7 dredges operating in the two places under the Great Lakes Dredging Co.? A. Yes.

Q. Would these 7 dredges be all of the same general description or can you distinguish? A. One was different from the others, being a hydraulic dredge.

Q. Known as what? A. Known in the accounts rendered by the Great Lakes Dredging Co., as a suction dredge.

Q. What was her name? A. The *Enterprise.*

Q. All other dredges are what you call the bucket dredges? A. The ordinary elevator bucket type.

Q. You say that generally speaking, there would be one inspector for each dredge? A. Yes

Q. Would the weekly reports show the number of trips made each day by each scow? A. No. The report would show for each day the number of scows employed that day with each dredge and the total quantity of spoil which had been so conveyed during the day.

Q. Then under the point of distance, would it show the distance each scow had gone? A. No, the distance for each tow, a number of scows behind the tug, the distance scows were towed during each day to the depositing ground from each dredge.

Q. But if those scows made several trips during one day would it show the distance of each trip? A. Not the individual distance for each trip.

Q. It would simply make an allowance for the day of so much distance travelled by the scows? A. Quite so, that is it.

Q. And you could not distinguish for each trip of each scow? A. No.

Q. Consequently if, in fact one trip had been under the required distance and one or more over the required distance there would be nothing in the report to show which had gone under or which had gone over or how many had been under or how many had been over? A. Nothing to show.

Q. I presume you do not know who calculates the distances they have to travel? A. I am not aware.

Q. Or how it is calculated? A. I am not aware.

Q. You only know that the report as setting forth the distances is signed by an inspector and certified by the resident engineer? A. Quite so.

Q. Now then you say that although those reports are called weekly they are only received at the department once a month? A. Yes, so I understand.

Q. How often are the contractors' bills received? A. I cannot say.

Q. Would they be monthly? A. I presume they are rendered monthly.

Q. Is there any material on the records from which the department or the Auditor General can get behind and examine or audit a report once it is approved by the resident engineer in regard to dredging? A. No records that I have seen or that have been produced.

Q. Then so far as the system appears to you, once the resident engineer has certified the quantity, distance, extra allowance, or any matter of that kind, there is no possibility of an audit of that, here at Ottawa? A. None that I am aware of.

Q. Except, of course, a mere mathematical calculation the routine checking of extensions, &c.? Then would it be correct to say, to the best of your knowledge that so far as the Department of the Auditor General is concerned, they have to rely unquestioningly upon the certificate of the inspector and the engineer in charge? A. Yes.

Q. And if either an inspector or the engineer in charge were to make a mistake or to commit a fraud, there would be nothing here on the records from which that mistake or fraud could be discovered? A. Not so far as I have seen.

Q. Then the accuracy of the reports and therefore of the bills by the contractors depends upon the correctness of the estimate by which the quantities and distances are ascertained and certified in Fort William or Port Arthur? A. Yes.

Q. And you have already said that you did not know how those quantities are ascertained? A. Quite so.

Q. But you do know this and have already stated it that the contractor and the engineers have all adopted the principle of paying for a full mile even although it would be only one-tenth of a mile of extra towage and you have already stated that so far as you can see the Auditor General has not questioned that? A. Quite so.

Q. The value of the inspection would depend on the character and the ability of the inspector? A. Yes, distinctly.

Q. Both upon his honesty and upon his capacity to judge? A. Quite so.

Q. Payments are made generally upon one or other of two bases, what is called scow measurement, or in situ or place measurement. Is that not so? A. Yes.

Q. In Fort William and Port Arthur, is there any in situ measurement adopted except for the suction dredge? A. Yes.

Q. There is? A. There has been some.

Q. There has been some in situ measurement where the suction dredge has not been employed? A. Yes.

Q. In the main, however, outside of the suction dredge, the measurement is by scow, is it not? A. Usually by scow measurement.

Q. Has there ever been any scow measurement adopted with regard to the suction dredge? A. The suction dredge *Enterprise's* work has been paid for by measurement in situ.

Q. Was the work of the *Enterprise* ever paid for so far as you know, by scow measurement? A. No.

Q. When you talk of measurement in situ, you mean that the allowance is for a certain area dredged and paid for by the cubic yard as it was prior to the dredging? A. Yes, as surveyed.

Q. When excavation is to be made in situ the distance to be excavated is supposed to be measured out and marked, is it not? A. Yes.

Q. Cross-sectioned——A. And staked out.

Q. And the depth to which it is to be excavated fixed? A. Specified.

Q. And the cubic contents of that are calculated in yards? A. Yes.

Q. And then as that marked out place is excavated the quantity which has been excavated is allowed? A. Is measured up and allowed.

Q. And that is what is called in situ measurement or place measurement? A. So I understand.

Q. And in such measurement as that, it does not make any difference whatever how much water is taken out and put into the dredge because she is paid by the size of the place she has excavated? A. Quite so.

Q. What is known as scow measurement is paid for by the quantity which a scow can hold? A. The quantity which a scow can hold.

Q. Whether of water or spoil? A. I presume so.

Q. As long as she goes out with a load she is paid for by load, according to her quantity? A. Yes.

Q. But in practical work, where a scow is loaded by a bucket dredge, on the one side, or a suction dredge on the other, is there as much water in the scow in the one case as in the other? A. It is very rarely that a suction dredge is used for loading a scow. The spoil from the suction dredge is usually for depositing for the reclamation of waste land.

Q. Turning to contract No. 7170, for doing certain dredging in the terminal basin at the mouth of the Mission river, the specification to that contract in paragraph 2 provided for the dredging of a minimum of 1,000,000 cubic yards scow measurement each consecutive year until completed? A. Yes.

Q. And in the contract itself, to which the specification is attached, I find this set out, that in consideration of the agreement by the contractor His Majesty agreed to pay by scow measurement for rock $2.85 per cubic yard, and for all other materials at 16 cents per cubic yard. But as an additional price for dumping dredge materials in structures and back of cribs, when rehandling is required, 18½ cents per cubic yard, rock $4 per cubic yard, measured in situ, and all other materials, 25½ cents per cubic yard, measured in situ? A. That is so.

Q. With regard to those additional prices, do you construe them to include those three last prices, namely 18½, $4 and 25½ cents respectively? A. No. I think additional prices referred only to the 18½ cents per cubic yard allowed for dredged material dumped into structures and back of cribs.

Q. Then you think that the $4 for rock and the 25½ cents for all other materials, meant rock and materials in situ? A. Yes, that is the way I construe the contract.

Q. Can you tell me as a fact how those prices were allowed for by the engineer in charge when payments were made to the contractors? A. Yes, the suction or hydraulic dredge *Enterprise*, during 1909, appeared to have excavated 311,498 yards in situ which was allowed for at the rate of 25½ cents per cubic yard, the amount paid for that work being $79,431.98.

Q. How does that rate per yard in situ compare with other rates paid for work done by the hydraulic dredge *Enterprise*? A. You will find by looking at contract 5992, a provision for work in situ done by the hydraulic dredge.

Q. You are now referring to page 7 of contract 5992? A. Yes. I refer to the clause providing:

> "That for the work to be carried out by the said contractors in virtue of the present contract in the Mission and Kaministiquia rivers in the province of Ontario at the rate of $2 per cubic yard, scow measurement, for rock excavation—and at the rate of 9 cents per cubic yard for all other material same measurement, if classified under clause 2 in the specification hereto annexed and forming part hereof; or at the rate of 3½ cents per cubic yard measured in situ for rock excavation (class 1); and at the rate of 9 cents per cubic yard same measurement, for all other materials (class 2) as above specified, and when the hydraulic dredge is used in the performance of the works."

How do you construe the latter part of that provision? A. I take it to mean that when the hydraulic dredge *Enterprise* is used in excavating materials other than rock, she is to be paid at the rate of 9 cents per cubic yard in situ.

Q. Well, then, it appears from that that under contract 5992, the 9 cents per cubic yard in situ was to be paid to the *Enterprise*, for the same class of materials as was paid for at the rate of 25½ cents per cubic yard in situ under contract 7170? A. Yes.

Q. What difference would it make as far as the amount of payment is concerned, if the same quantity of cubic yards, dredged hydraulically by the *Enterprise* was charged and allowed for at 9 cents a cubic yard in situ instead of 25½ cents per cubic yard in situ? A. In that case the allowance would have been $28,034.82, or $51,397.16 less than was actually allowed.

Q. Where was the material placed which was dredged by the *Enterprise* in 1909, under contract 5992? A. In that year no material in situ was dredged by the *Enterprise* under contract 5992. It may have been i other years but I think not around that point.

Q. In the Mission river? A. Yes.

Q. Where was the material deposited which was dredged by the *Enterprise* in 1909 under contract 7170? A. It was deposited on Grand Trunk Pacific water lots in the Mission river at Fort William.

Q. What change in prices was made by the amending contract No. 7339? A. The purport of that contract is to provide for deepening the channel from 22 feet to 25 feet, and the price for doing so for that additional 3 feet was increased from $2 to $2.85, and from 9 cents to 22½ cents per yard for all other material. Both rock and other material were by scow measurement. For the uncompleted areas, which had been provided for by contract 5992, the price was raised from $2 up to $2.40 per yard for rock, and from 9 cents per cubic yard to 10¼ cents per cubic yard for all other materials, both rock and other material to be by scow measurement. It was also provided in the amending contract as follows, for in situ excavation:

"All other material than rock, 10¼ cents per cubic yard, if hydraulic dredge is used."

Q. How do you construe that arrangement? A. I think it means this, that the first prices I have just quoted apply to a deepening of three feet over an area where there was already 22 feet of water. I think that the second prices just quoted applied to the whole uncompleted area under contract 5992.

Q. You mean to say that if a part of the area covered by contract 5992, had not been dredged at all or had been only partly dredged, the increased prices would apply to that uncompleted area? A. Yes, that is how I understand the provision of the contract as to the second order of prices. I should further add that for that extra 3 feet to deepen the water to 25 feet, where the area was uncompleted, under contract 5992, the contractors would only get 10½ cents for that extra three feet.

Q. Then the contract appears to be this: That where under contract 5992, a depth of 22 feet had been reached, it was provided by the new contract that the contractors were to receive 23½ cents per yard for deepening 3 feet more? A. Yes.

Q. It also appears, however, that where there was an area provided for by contract 5992, which the contractors had not completed, the contractors were to receive 10¼ cents for all spoil down to a depth of 25 feet? A. Yes, that is so.

Q. Then how do you understand the provision regarding the hydraulic dredge? A. If any portion of the dredging was done by the hydraulic dredge *Enterprise*, the work would be paid for at 10¼ cents per cubic yard, measured in situ.

Witness retired.

The Commission adjourned.

OTTAWA, TUESDAY AFTERNOON, February 20, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

WILLIAM DUNLOP, chartered accountant, of the city of Ottawa.

The examination of Mr. DUNLOP was resumed.

By the Chairman:

Q. Mr. Dunlop, I want to commence this afternoon, by drawing your attention to some matters, in connection with your report, dated February 13, concerning those contracts 5992 and 7339. Contract 5992, you will remember, provided for scow measurements, and in situ measurements? A. Yes.

Q. It said that scow measurements should be $2 for rock and nine cents for all other material? A. Yes.

Q. And it also said that in situ measurements should be $3 for rock and nine cents for all other material? A. Yes.

Q. Now then, in the matter of prices, contract 7339 purported to change the rate? A. Yes.

Q. And it first provided for deepening to twenty-five feet where the water was already twenty-two feet? A. Yes.

Q. And then, it further provided for deepening the unfinished portion of the work which had been contracted for by contract 5992? A. Yes, the uncompleted area.

Q. With regard to that unfinished portion of the work, it provided that scow measurements should be paid for at the rate of $2.40 for rock, and ten and a quarter cents for all other material? A. Yes.

Q. And then the in situ prices should be ten and a quarter cents per yard for all other material than rock? A. Yes.

Q. Well, the net result of that would be this: with regard to the unfinished portion of the work provided for under contract 5992 that the price scow measurement was raised for rock from $2 to $2.40? A. Yes.

Q. And from nine cents to ten and a quarter cents for all other material? A. Yes.

Q. And that with regard to in situ measurements the price was raised from nine cents to ten and a quarter cents? A. Yes.

Q. That is the effect of the two? A. Of the two contracts, yes.

Q. The proviso in contract 7339 for the payment of $2.85, first for rock, and twenty-two and a half cents for all other material, both scow measurement, referred to the class of work which was not under contract 5992 at all? A. Yes, so far as I understand it.

Q. Was twenty-two and a half cents per cubic yard paid for any dredging whatever, in the dredging season of 1909? A. Yes, on 571,129 yards.

Q. Do the accounts of the Dredging Company, certified to by the resident engineer, show whether, in all cases, this large amount of dredging was from the area which was being deepened from twenty-two to twenty-five feet? A. No; the accounts do not distinctly state the fact, except in two instances.

Q. And these two instances amount to how many yards? A. 69,738 yards.

Q. So that 501,391 cubic yards, charged for at twenty-two and a half cents, are not certified to, in express words, to have been applicable to the deepening by three feet? A. No, sir.

Q. And in the same year bills were being rendered by the Dredging Company, certified to by the resident engineer, for dredging at ten and a quarter cents? A. Yes.

Q. With allowance, from time to time, for extra towing? A. Yes, sir.

Q. From that, you would conclude, that the whole 571,129 yards, paid for at twenty-two and a half cents was really in the deepening from twenty-two to twenty-five feet, and that the words 'For the extra three feet' must have been omitted accidentally from the bills? A. That is what I judge.

Q. That is what you judge from the surrounding circumstances? A. That is what I judge from full examination.

Q. Have you examined the reports of the inspectors, upon which these bills were made, to ascertain whether the reports show whether it was for extra deepening? A. Yes.

Q. Do the inspectors' reports show? A. The inspectors' reports do not show whether it was for the extra deepening or not.

Q. Do you mean to say that looking at the inspectors' reports for all the work done you cannot tell from them alone whether it was upon work that should have been paid for at twenty-two and a half cents or at ten and a quarter cents? A. No.

Q. There is nothing in the reports to show that distinction? A. There is nothing in the reports to make the distinction.

Q. And except in the two cases mentioned, nothing special in the certified bills to show it was for the extra three feet? A. Except the price charged.

Q. Then neither in the inspector's report, nor in the certificate of the resident engineer, is it anywhere expressly set out, in so many definite words, that the dredging paid for at twenty-two and a half cents was all in the area for which that price was contracted? A. No.

Q. Then there is something in the omission, which ought to have been the subject of inquiry? A. Yes.

Q. Now, except that the dredgers were claiming twenty-two and a half cents with an extra allowance for towage, and that the resident engineer certified that the Bill was correct, there would be nothing is the inspector's report or in the engineer's certificate to assure the Auditor General's Department that the bill was a correct one? A. Nothing that I can see.

Q. Does it appear to you whether the hydraulic dredge was used on the deepening from twenty-two to twenty-five feet, under contract 7339? A. It does not appear to me that she was.

Q. Do you know from the bills and reports, whether the hydraulic dredge was used at all in any other way except to fill up the land with the spoil she dredged? A. No.

Q. You don't know? A. I do not know. I want to explain this. Her spoil never is used for anything but filling up work.

Q. Do you mean to say that the spoil from the hydraulic dredge could not be disposed of on a scow and carried away? A. It could, but it would not pay to do it, for the simple reason that a hydraulic dredge pulls up about seventy-five per cent of water all the time, and less than twenty-five per cent of real spoil, and the scows would be detained, and the tugs would be detained.

Q. Could not the spoil and water be deposited in the scows and the water allowed to run off? A. It is not often done; ordinarily, the hydraulic dredge is used for filling.

Q. Would that imply that a hydraulic dredge would have to be used within a short distance of the place where she is to deposit her soil? A. Yes, usually the connecting pipe is lengthened according to the place where they require the soil deposited.

Q. It could never be put at a very great length, I suppose? A. I would judge not.

Q. During the dredging season of 1909, was the Great Lakes Dredging Company paid for work done by the hydraulic dredge under any other contract than 7339? A. Yes, sir, under contract 7170.

Q. That contract was dated February 27, 1909, and was for deepening the terminal basin at the mouth of the Mission river? A. Yes, sir.

Q. With reference to that contract 7170, have you yet discovered any reason, from your perusal of the papers or otherwise, which explains why twenty-five and a half cents per yard in situ was allowed under that contract, when under 7339 in situ was paid for at ten and a quarter cents? A. No, sir, none.

Q. There may be some explanation which the engineer could give? A. Yes, but I am not in a position to give it at the present time.

Q. Since you were last here you have been paying some attention to the work at Rainy river, Ontario? A. Yes.

Q. And you have to-day submitted a report with reference to that work covering your operations up to last night, the 19th of February? A. Yes.

Q. You say that no contract was signed with the Rainy River Company for the work done during 1909? A. None. There having been no contract I asked for the files regarding how the matter was done and by referring to the necessary correspondence that passed from the chief engineer right down to the resident engineer and telegrams between them, I found that there was no contract but that the rate had been agreed upon. I found that Mr. Merrick, the engineer in charge, fixed the price at twenty-five cents per cubic yard. I have no knowledge that the contractors agreed to that.

Q. You have knowledge that the contractors presented their bill at that rate? A. They rendered a bill at twenty-five cents. They did not get the money until May, 1910.

Q. Then did they take the money? A. They got the money plus twelve cents more.

Q. You speak of Mr. Gilman Brown, who is he? A. He was the assistant chief engineer before Mr. A. R. Dufresne. Mr. Brown died and then Mr. Dufresne was called in from Winnipeg. In the spring of 1910 tenders were advertised for and one was received from Mr. A. F. Bowman of Southampton for the Rainy river work. It was for forty-seven cents, but by negotiations between the department and Mr. Bowman that price of forty-seven cents was reduced to thirty-seven cents, and the bill for the previous year which had not been under any contract was also paid for at the thirty-seven cent rate.

By Mr. Lake:

Q. Who are the Rainy River Company? A. I do not know.

By the Chairman:

Q. What was the total excess amount paid to the Rainy River Company for work done in 1909 over the rate of twenty-five cents? A. $6,857.28.

Q. Did I understand you to say that there was actually a bill from the contractors for the work done in 1909 at the rate of twenty-five cents? A. Yes.

Q. Made out apparently at the contractors office? A. Yes, and certified by Mr. W. D. Merrick.

Q. But not paid at that time? A. Not, I understand paid at that time.

Q. Did you notice any letter in the correspondence whereby the contractors forwarded that bill and claimed payment? A. No.

Q. Did you notice anything in the correspondence as to why that amount had not been paid at the time the bill was rendered? A. In a previous bill dated "Fort William, November 12, 1909, Public Works, Canada, debtor to the Rainy River Dredging Company for $14,286 certified "prices fair and just," by W. P. Merrick, resident engineer," and passed by the dredging branch on November 16, 1909, but subsequently cancelled. I also submit a bill, dated Fort William, May 27, 1910, Public Works, Canada, debtor to the Rainy River Dredging Company for the work done in 1909, also certified "prices fair and just" by W. P. Merrick, resident engineer; the latter bill is for dredging charges on the same basis in 1909 as the former bill, and for the same quantity of cubic yards, but the second bill is for thirty-seven cents, whereas the first bill is for twenty-five cents per cubic yard. The increased amount is $21,143.28, or $6,857.28 more than the former bill.

Q. The second bill is marked across its face "corrected copy"? A. Yes.

Q. And across the face of the first bill there is written in red ink the following "cancelled and account at thirty-seven cents substituted; instructions of Assistant Deputy, 31st May, 1910. W." What does the letter "M" mean there? A. The initial of the clerk, H. M. Walters, in the dredging branch.

Q. Did you notice any order in council on the file, authorizing the change from twenty-five cents to thirty-seven cents for the work done in 1909? A. No, I cannot find any order in Council.

Q. There has been a vote of parliament of $60,000 to cover the dredging in the Rainy river? A. Yes.

Q. And taking the amount paid Bowman in 1910 with the amount paid in 1910 to the Rainy River Dredging Company for the work done in 1909, the total expenditure amounted to $59,737.61? A. Quite so.

Q. So that they got within $262.39 of the total appropriation? A. Yes, sir.

Q. Is there any explanation on the files, so far as you noticed, from Mr. Merrick the engineer in charge as to why he certified thirty-seven cents as fair and just for the same work for which he had previously certified twenty-five cents per yard as fair and just? A. I have seen none. On April 22, 1910, two months before the bill was passed at thirty-seven cents, Mr. Merrick wired the chief engineer:—

> "I consider twenty-five cents per cubic yard a fair price for Rainy river work."

Q. You have paid some attention to contract 6250 dated April 5, 1907, whereby A. F. Bowman undertook to do certain work at Sault Ste. Marie? A. Yes.

Q. Was there any specification as to the distance to which towing was to be done? —A. No. not that I have seen.

Q. Do you know whether anything was paid under that contract for extra towing? A. No.

Q. The dredging was supervised by the local inspector apparently? A. Yes.

Q. And the only other certificate was by the assistant engineer at Toronto? A. Yes.

Q. Most of the price paid was for rock? A. Yes.

Q. At scow price and not in situ price? A. Yes.

Q. Was the work done in 1910 by Mr. Bowman amounting to $86,134.17, for dredging and excavation, paid for under the same contract? A. I understand the prices fixed by that contract were continued.

Q. Of the 27,118 cubic yards dredged and excavated, 23,750 yards were charged for as rock at $3.15 per yard. Now, excavation of rock in situ measurement ought to be very easy to arrive at? A. Yes.

Q. Compared with the excavation of clay material? A. I would think so.

Q. Furthermore, the scow measurement on rock would be comparatively difficult, would it not? A. And indefinite.

Q. Uncertain? A. Uncertain.

Witness retired.

OTTAWA, TUESDAY, February 27, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of ALEXANDER R. DUFESNE, of the City of Ottawa, assistant chief engineer of the Public Works Department.

Examined by the Chairman:

Q. Your position is that of assistant chief engineer? A. Yes, sir.

Q. You have been in that position how long? A. Since June, 1910.

Q. Was that your first entry into the permanent service? A. Yes.

Q. And prior to that you had been engaged where? A I was district engineer for the Department of Public Works in Manitoba.

Q. For how long? A. Since 1906.

Q. You are a civil engineer by profession? A. Yes, a graduate of McGill University.

Q. And before occupying that position in Manitoba, what were you? A. I was for a year and a half in charge of test boring parties on the Georgian Bay Canal survey.

Q. Now, as assistant chief engineer, you have had special charge since your appointment to the permanent position of the dredging works of the department? A. Well, not exactly, I was put in charge of the dredging department only in October, 1910.

Q. And prior to that, you had been assisting generally in the work of the department? A. Yes.

Q. But since the month of October, 1910, you have been specially connected with dredging? A. Yes, I have had special charge of dredging, both departmental and contract dredging, since that time.

Q. Of all the dredging, in other words, under the control of the Department of Public Works? A. Exactly, yes.

Q. And have you had anything else to attend to for the department, other than dredging, since the month of October, 1910? A. Considerable of the work I was engaged on, out in Manitoba—very often, as a general rule, that was referred to me, especially one work I had had charge of at St. Andrews, the locks and dams.

Q. Has that been steadily progressing? A. That was completed a few months before I left Winnipeg to take this position down here. I went out to Manitoba in 1902 to take charge of that work, and was there for a year and a half, came back to Ottawa, and was on this Georgian Bay Canal survey, that I referred to a few minutes ago, and eventually went out to Manitoba in 1906 to take charge of the department's work for the province, and particularly the completion of this St. Andrews lock and dam which was completed just prior to my coming down here in 1910.

Q. But, speaking generally, with regard to the greater portion of the work you have had to do since October, 1910, your position might better be described perhaps as that of engineer in charge of dredging? A. Exactly.

Q. Because the term assistant chief engineer would imply that you were assisting the chief engineer in the ordinary work and in all the work of his department, whereas you have really had especial charge of this matter? A. Exactly.

Q. Now, the dredging under the department, is divided into work done under contract by private companies or individuals and work done by government dredges? A. Yes, sir.

Q. That is to say, dredges owned by the government and operated in various parts of the Dominion of Canada? A. Yes.

Q. Now, as to the first, or contract dredging, the actual execution of a contract dredging would be under the resident engineers in various parts of the Dominion, would it not? A. Yes.

Q. And, in the first place, you would have to do with such work in calling for tenders? A. Yes, sir.

Q. Would you have to do with the drafting of specifications? A. Yes, sir.

Q. And then when the tender was accepted and the contract drawn out—who would attend to the actual drawing of the contract? A. The contract itself would be drawn up by the law clerk.

Q. And would you have anything to do with its actual preparation? A. No, the contract is the usual form being a part of all contracts, a form of indenture that is used for all contracts.

Q. And which is to be filled in in writing? A. Exactly.

Q. And which refers to the specifications in all cases? A. Yes, the specifications form a part of the contract

Q. Then, when the law clerk had drafted out the contract, would it come before you for examination or would it simply go to the minister or deputy minister and be signed? A. In the minister and deputy minister. I never signed any contracts.

Q. You do not examine them for any purpose whatever before their execution? A. No, with the exception of the specifications that form a part of the contract.

Q. And those are prepared before the tender? A. Yes.

Q. But I mean, after the tender is made and when it is accepted and the contract is to be made out, you have nothing to do with those formalities at all? A. No, sir.

Q. Your next step, I presume, is to inform the resident engineer of the fact that the contract has been made—is that done through you? A. Yes, sir.

Q. And then the correspondence that takes place with the resident engineer, relative to dredging—does that come through you? A. Yes, sir.

Q. In all cases? A. Yes.

Q. And all letters that come from him to you, do they come to you? A. Yes.

Q. To whom do you report, Mr. Dufresne? A. To the deputy minister.

Q. You report straight to the deputy minister? A. Yes.

Q. And with reference to dredging matters, your connection with the chief engineer is purely nominal? A. Yes, sir.

Q. The actual work is carried on between you and the deputy minister? A. Exactly.

Q. Consultations with regard to the contract, and so forth? A. Yes, with very very few exceptions. An exceptional case now is the Courtenay bay work. That is a very large work which consists mostly of breakwaters, wharfs, dry dock, &c., but incidental to that is some dredging. It is not thought proper in a case of that kind to differentiate that small amount of dredging and to put it under my notice. There are one or two cases of that kind.

Q. Then, it might happen, that when the work of dredging is being done in connection with some other work there would be consultations between yourself and the chief engineer? A. Yes.

Q. But in case of plain straight dredging you simply consult with the deputy minister about it? A. In every case.

Q. Well then, the work commencing and going on under the charge of the resident engineer, when accounts are sent in by the contractors, they are of course sent by the resident engineer, do they come straight to you? A. Well, if you will allow me one moment. Since I have been in charge there, or some time prior to my taking charge, no accounts come directly from contractors.

Q. No, from whom then do they come? A. For some years, we will suppose the dredging is being done by scow measurement, and weekly reports are sent by the inspector placed there by the department.

Q. Are they sent straight to you? A. Straight to the department, straight to my office.

Q. Addressed to you? A. Yes, they are addressed to me

Q. Addressed direct to you? A. Yes, sometimes they are addressed to the superintendent of dredging, but a certain man in my office has charge of all those reports.

Q. In your office, or the dredging office? A. In the dredging office.

Q. That is Mr. Walters? A. Yes.

Q. Well, Mr. Walters, while he is under you, is down in the office of the assistant superintendent of dredging? A. Yes, reporting to me.

Q. He has a desk in the office of the assistant superintendent of dredging, has he not? A. Yes.

Q. And reports to you directly? A. Yes.

Q. Then all the work done by Mr. Walters has nothing to do whatever with the work done by the assistant superintendent of dredging? A. No sir, that is since a year.

Q. Then who certifies the weekly reports that come in to you when the contractor makes up his bill? A. The contractor never makes a bill out now, and not for some years.

Q. How does he get paid? A. The inspector's weekly reports are certified to by the district engineer, who eventually sends them to Ottawa. These are entered up by Mr. Walters who eventually prepares progress estimates.

Q. Are those estimates sent to you regularly? A. They should be monthly estimates and they are generally monthly estimates, but if, for some reason or another reports are held back, it is not absolutely necessary that they should be made every month, but contractors, as a rule, expect monthly payments, and they are generally known as monthly progress estimates.

Q. Then the practice in your department would be to pay once a month? A. Exactly.

Q. Well, would the cheque for that, together with the statement be sent from your department on application by the contractor? A. Yes.

Q. In the regular course? A. Yes.

Q. Would a statement be sent with the cheque showing for what amount it was allowed? A. I don't quite understand that question.

Q. Would Mr. Walters prepare a statement of the amount which was allowed and for which a cheque was being sent, and would that be sent with the cheque? A The statement does not go to the contractor. The statement, which is a progress estimate, is transmitted by Mr. Walters to me. A certain amount of checking over of this estimate is made in my office to ensure or safeguard that it is all right, beyond Mr. Walters' work, and then it is transmitted to the deputy minister who sends it to the accountant. After the progress estimate has passed through my hands, it does not matter to me, or I do not follow it up very closely. I assume that my part of the work has been done.

Q. Now, the weekly reports that are sent in by the inspector, are they always certified by the resident engineer as they come in under the present practice? A. I believe so, I do not examine every weekly report myself. I ask Mr. Walters, who is not supposed to accept any weekly report unless it is certified by the district engineer.

By Mr. Lake:

Q. Don't the contractors send in any accounts of their own accord? A. Absolutely no, not since my connection with the department.

Q. They initiate no accounts whatever—I mean they do not act on their own initiative in this matter? A. The department do you mean?

Q. No, the contractors? A. Not that I have ever heard of.

By the Chairman:

Q. The forms for weekly reports at present in use do provide for a certificate by the engineer in charge, I see, as well as by the inspector? A. Yes, sir.

Q. And the inspector has to make a declaration of the accuracy of the report before a justice of the peace? A. Yes, sir.

Q. Have you had any instances in your experience in which a suit has arisen between the contractor and your department, as to the quantity dredged? A. Yes, there have been a number of them.

Q. And this would be shown by the correspondence on file, I suppose? A. Yes? sir.

Q. The weekly report is made by the inspector usually? A. Yes, sir.

Q. Who is at the work? A. Yes.

Q. Well, where more than one scow is being employed on a large job, say at Fort William, is there more than one inspector employed? A. No, sir, not as a general rule.

Q. And of course the engineer in charge of the work has to reply upon the accuracy of the reports by the inspector? A. Exactly.

Q. Because he cannot be there to count the number of trips that were being made by scows or to see the quantity which the scow has in her every trip she makes? A. No, he has to rely on the inspector.

Q. Absolutely? A. Yes.

Q. Now, these inspectors are never permanent employees of the government? A. Not to my knowledge.

Q. With a regular salary for instance? A. No.

Q. I presume they are nominal appointees of the government by the engineer in charge? A. Yes, sir.

Q. Who pays the inspectors, for instance—how are they paid? A. They are paid by the department.

Q. Well, the money is provided by the department to pay them, of course, but where do they get their cheques? A. The district engineer makes out a salary account or a wage account for the inspector, certifies this account, and transmits it for payment.

Q. Well, would an inspector receive the information that he was employed from the resident engineer? A. Yes, sir.

Q. Well then, nominally the work of employing inspectors is done by the resident engineer? A. Yes, sir.

Q. But, in fact, how is the actual selection made? A. The inspector is nominated by the local member of parliament.

Q. If he is a supporter of the government? A. Yes.

Q. And if he is not a supporter of the government, by some one representing the other side? A. Yes.

Q. The defeated candidate or some one of that kind? A. Yes, sir.

Q. Now, does the resident engineer get his order to employ a particular man through you or does he get his instructions just locally and inform you that he has employed that particular man? A. It is done in both ways. Sometimes I instruct the district engineer to apply to so and so for the name of a competent inspector and on other occasions I am informed that such a party is to be appointed, and I notify the district engineer to appoint the man, providing the man is qualified in every respect.

Q. In such a case as that you give him the name of the man? A. Yes, I give him the name of the man in such a case.

Q. And you tell him to employ that man if he thinks he is qualified? A. Absolutely, and he is always instructed to appoint the man provided the man is competent and qualified.

Q. Now, you receive the nomination of a man of that kind from individuals outside the department direct to yourself? A. I never correspond with any members or any person else regarding these inspectors. In the cases where I instruct the district engineer to employ a certain party, this name has been given to me by the deputy minister or some one above me in the department.

Q. You never receive representations directly to yourself from members or other persons outside of the department? A. I do not recollect any just at present. There may be, but I do not recollect any.

Q. When you receive instructions that A, B or C is to be appointed to such a position, do you get those instructions verbally, or in writing, or in both ways? A. Generally in writing.

Q. You generally get these instructions in writing? Yes.

Q. And you keep files? A. Yes.

Q. Files of all correspondence? A. Yes.

Q. Then, in any case in which you have received instructions in writing to have such a person appointed, you would have the letter in your office and then the files will show that? A. Yes, sir.

Q. But, as you say, where you have not sent the name of the man, or have not instructed the resident engineer to ask Mr. so-and-so for the name of a man to appoint, there are cases, I suppose, in which Mr. so-and-so may have spoken to the resident engineer directly? A. In the great majority of cases, the district engineer is instructed to apply to so-and-so for the name of a competent inspector.

Q. Isn't he instructed by you? A. There are very few cases in which I have instructed the district engineer to appoint so-and-so. Almost in all cases he is instructed to apply to so-and-so for the names.

Q. And your letter of instructions, the draft letter of instructions to that effect, will also be on file? A. Yes, sir.

Q. Now it has been a recognized principle, ever since you have been in the office, that the nomination of inspectors was a political matter? A. Yes.

Q. A matter of patronage in the hands of the friends of the government? A. Yes, sir.

Q. Now, do you know what precautions are taken by the resident engineer, if any, to inquire into the qualifications of an inspector? A. No, sir.

Q. There are none prescribed or laid down, I suppose? A. No, sir.

Q. What I mean to say is, that there are no instructions to district engineers of the procedure which they are to follow in order to find out the fitness of any particular man to be an inspector? A. No, sir.

Q. And as a matter of fact does the district engineer accept the nomination that is made to him? A. In the majority of cases, at least, I cannot say positively, I do not follow the matter up. I rely that my letter of instructions asking him to apply to so-and-so for the name of a competent and qualified inspetor, that he has taken the precautions himself to see that the man is qualified.

Q. But you see if you tell him to apply to so-and-so for the name of a qualified and competent person to act as inspector that may be a different matter from telling the district engineer to inquire himself into the qualifications of those persons, because that form of letter would imply that the men to whom application is to be made for the men, and that those men are to be the judges of the qualifications? A. Well, I would like to exhibit a typical letter of instructions.

Q. Well, will you take a note to supply to us your typical letter of instructions? A. Yes.

Q. Now, has it ever come to your notice, that any dispute has arisen between the district engineer and the person nominating an inspector over the qualifications of the person nominated? A. No, I cannot recollect any.

Q. Do you know of your own knowledge if the district engineer takes it upon himself to exercise any real discretion in the selection of an inspector? A. I don't know what steps the district engineer takes.

Q. And one man may do one thing and another man may do another thing, of course? A. Yes.

Q. Now, those inspectors, judging from what you have told us, have a tremendous amount of responsibility really? A. They have a great deal of responsibility.

Q. And many hundreds of thousands of dollars are being paid out every year on their certificates? A. Collectively, yes.

Q. And in cases like Fort William and Port Arthur, for instance, and some other large places like Tiffin, actually the payment authorized by inspectors is very large? A. Yes, sir.

Q. What wages are given to inspectors? A. Three, and in some cases four, dollars a day.

Q. Their jobs are for a short period each year? A. For a short period, yes, possibly five or six months in some cases.

Q. And do they get paid for every day after the dredging begins, whether it is a day the dredging is going on or not? A. Yes, except Sundays.

Q. Or holidays, I suppose? A. Yes, or holidays.

Q. Then, they are necessarily men who have no permanent employment? A. I would judge so.

Q. In the majority of cases that is so? A. Yes, I would judge so.

Q. Are you satisfied, having regard to the importance of this duty and the room for fraud, that the system of selecting these inspectors is a proper and satisfactory one? A. I do not believe the system is a proper one.

Q. Don't you think the greatest precautions ought to be taken to find men whose honesty and capability are proven beyond a doubt before being given such employment? A. Precisely.

Q. And that under the present system is not being done? A. I don't think so.

Q. You are not personally responsible for the system? A. No, sir.

Q. You found it there when you came into the department? A. Yes, sir.

Q. And it has been continued from political necessity, political pressure? A. I presume that is the reason.

Q. As the man in charge of this thing, have you ever suggested any change? A. Not in writing.

Q. You have verbally? A. Verbally, yes.

Q. You have protested against it, I presume, as being a very dangerous practice? A. I protested against the method, inasmuch as I attempted to bring in a new system of payment for dredging by place measurement, and that was the principal objection I had to the whole system, the method of inspection.

Q. The scow measurement inspection left so much with the inspector that looking at the way inspectors were chosen you felt that the in situ principle was the right one? A. Exactly.

Q. But have you ever made representations concerning the need of greater care in choosing inspectors? Even under the scow measurement? A. No, sir.

Q. Well, can you offer any explanation as to why you have not pointed out this obvious danger? A. Well, the dangers of the present system are assumed dangers on my part. I have no positive proof that the inspectors who are appointed are not competent and qualified. I have an idea that these men are not qualified and not competent, but I have no distinct proof that they are not.

Q. But don't you think it really ought to be the other way in a matter of such importance, that proof should be given that men are competent and qualified rather than proof that they are not competent and not qualified? A. I rely on the district engineer for choosing men who are capable. A number of occasions have arisen where it has been brought to my attention that the men have been neglectful in their duties and absolutely, in every case, I have taken the matter up with the district engineer, and I have told him that if he was not satisfied that this man was competent that he should be discharged immediately. There are a number of cases of that kind. Absolutely, in every case that has been brought to my attention that any inspector was not competent or was neglectful of his duties, the district engineer has been instructed by me to dismiss him.

Q. Is not the best explanation, however, of your silence against the system, that its dangers are perfectly obvious from the very nature of the manner in which the inspectors are appointed, obvious to everybody I mean, that such a system of choosing inspectors was careless and not adequate? A. The system would be all right if we were sure we would get the proper men.

Q. Yes, but that is the difficulty, is not the system in its very nature, one which makes it uncertain whether we are getting the proper men, and therefore it is an obvious weakness of the system which anybody could see.

Q. And now that you have mentioned the subject, the objection to the application of the in situ or place method of measurement in the expense involved? A. No, not exactly. There have been no serious objections to the place measurement system. The place measurement system was brought into force in a number of contracts last season for the first time. There are naturally a great number of places where the in situ system is not applicable, and for very good reasons. The place measure system devolves entirely upon being able to take soundings before any work is done, and the taking of soundings after the work has been completed. In the event of your having a contract for dredging, in a locality where the nature of the material is of a shifting nature, and

storms are likely to cause differences in the position of the bottom, the place measurement system is not very applicable to that. But. before bringing in the place measurement system I sent a circular letter to all our district engineers, pointing out to them the great advisability of calling for tenders on a place measurement basis, and asking them to indicate what places we could do this place measurement dredging on. They replied, giving me a list of all those places where the place measurement system would be better, and those are the places where we called for place measurement.

Q. I saw it was stated in parliament the other day that the place measurement system had not been generally adopted because it involved great expense in taking the measurement? A. That I do not believe at all. There is a greater expense and it takes more time, but to my mind what is gained will far more than pay any extra expenditure.

Q. Your resident engineer on a particular place could measure the quantities in that place without much difficulty in most places? A. Yes, in most places where it is suitable. Of course, in some places there is great trouble, depending on the local conditions.

Q. But the resident engineer being always necessarily around there, it would not add very greatly to his duties in a suitable place to have the place measurements made? A. No, beyond the possible hiring of and the employment of one or two extra engineers' assistants.

Q. One or two assistant engineers? A. Yes.

Q. Where large contracts will be carried out the additional cost would be justified? A. Exactly.

Q. You say that during last year the place measurement system became more general than it had previously been? A. It was introduced absolutely for the first time last year.

Q. Was it in force in a number places last year? A. Quite a few places, especially in Ontario, some in Quebec, to a lesser degree in the martime provinces, and that could be understood, because a considerable amount of dredging in the maritime provinces is of an exposed nature.

Q. And the amount of contract dredging there is not very large in comparison? A. No.

Q. But there are a number of places in which dredging is going on, where place measurement could be taken which so far have not been put under that system? A. Exactly.

Q. There are a number of places where dredging is being done under contract that were made quite a while ago? A. Yes, sir.

Q. Such, for instance, as Fort William? A. Yes, altogether likely Fort William.

Q. Where place measurement would be possible under a new contract? A. Yes, sir.

Q. Well then, where you institute place measurement, your inspector has nothing to do with the quantity that is taken away? A. The inspector has absolutely nothing to do with quantities upon which payments are made.

Q. But you would still have an inspector on the question of towage, would you not? A. Yes, and an inspector also on place measurement contracts, possibly as a check. In the first year this system was employed in the department last year, I preferred to safeguard ourselves against any possible claim from contractors with the place measurement system, while it was new, so I kept our inspectors on all place measurement contracts, in case there should be a future claim from the contractors, and also to look over the towage, and it might possibly be that a district engineer, rather than be obliged to make by a progress estimate every month from actual soundings, would be safe enough to make a progress estimate from scow returns, correcting the future progress estimates and in any case making the final measurements on the place measurements—do you understand?

Q. Yes, I understand you exactly. Then still, but in a lesser degree, the character of the inspector is an important matter? A. Not of nearly the importance as under the scow measurement system.

Q. No, because so far as the quantity is concerned, even if he went wrong on scow measurement he would be checked up by the place measurement later on? A. Yes.

Q. But, with regard to the towage, his honesty might be very important? A. Yes.

Q. You have observed of course that in a return from Fort William and Port Arthur and other places there is a constant succession of reports showing that the distance for towage provided for in the contract was exceeded? A. Yes, I noticed over-towage.

Q. Over-towage is claimed again and again and reported by the inspectors? A. Yes, sir.

Q. Now, can you tell me how an inspector could establish the distance where towage was done with accuracy? A. If there was any question in my mind as to distance I would look to the district engineer. I would hold him responsible for that.

Q. But the district engineer is not on the dredge or the scow when she is towing out? A. At Fort William the district engineer is resident on the spot there and has practically nothing whatever to do except to look after the dredging, and although he is not on each scow, he is in the neighbourhood, and it is his duty to mark out the dumping ground.

Q. How does he mark it? A. I don't know how he marks it in that particular instance, but possibly he has some buoys and I don't know exactly how he has it marked.

Q. If a dumping ground was marked by a buoy which was set out by the engineer, an inspector could tell from the buoy just exactly what distance the scow would tow? A. Yes, it would be a very simple matter for the district engineer to find out the distance to that buoy.

Q. But I want to draw your attention to this fact that in the Fort William returns the distances for over-towage are allowed in tenths of a mile. Now, two things occur to one right away. A tenth of a mile on water is a very short distance and a very deceptive one. If there had been no buoys or fixed marks put out to say where a scow was—you will admit that I presume? A. Exactly.

Q. And the next thing is this: can you explain how it is that where the distance is fixed in the contract, we will say at three and a half miles as the proper distance to which the rate applies, that it so frequently occurs that allowances are made for three and six-tenths and three and seven-tenths and three and eight-tenths for towage, just a little over the proper amount? A. Do you wish me to explain how it is?

Q. Does it not occur to you as being very remarkable, and can you explain why it should occur? A. I cannot explain why it occurs.

Q. Have you ever taken notice to the fact that it was occurring frequently? A. I have noticed some of those, yes.

Q. Well I want to tell you from returns we have had covering two or three years we find in every report, that by far the great majority of the stuff towed is towed beyond the limit mentioned in the contract, and more often than not only one-tenth or two-tenths of a mile beyond the limit. Now, why is it that the contract could not have given the specifications in such a way that the stuff could be towed a fixed distance, that is to have a fixed spot to which the towage would be taken, so as to avoid these excesses? A. It occurs to me that in such an important contract as that Fort William contract which covered work to be done over a considerable number of years that some special provision for over-towage should have been made.

Q. I want to ask you if your attention has been drawn to another thing, no matter how small a fraction of a mile it may have been over-towed or reported as being over-towed, the full mile has been allowed for every fraction? A. I do not remember clearly now, without referring to the specifications of the contract, itself,

with regard to over-towing, without referring to it I am not sure of the statement I will make, but I think that legally, assuming that the distance was right.

Q. (Interrupting)—Do not give a legal opinion, Mr. Dufresne. I have just asked you if your attention has been drawn to that fact? A. No, it has not, I do not remember it exactly.

Q. Well, I want to tell you this: With regard to the main or larger contract, concerning Fort William and Port Arthur, there is a provision that towage has to be not exceeding three and a half miles, and one cent per yard for every additional mile? A. That is the way the specification reads, is it?

Q. Yes, that is the way the specification reads, a cent per mile for every additional mile, and the allowances have in all cases been for a full mile where the excess was one-tenth or two-tenths or whatever else it might be. Now, does that not strike you as being peculiar? A. The circumstances you relate do.

Q. That has not been drawn to your attention? A. No, sir.

Q. Well now then, I want to ask you this: Mr. Walters receives these reports and makes the calculations you have told us, and sends them to your department where they are checked. How does it come that that matter has not been brought to your attention? A. I do not know why it is. Mr. Walters gathers these weekly reports, enters them up, and he certainly has a number of instructions of mine to be careful about all these reports. He makes the progress estimates up and before it reaches me it goes through the hands of another man in my office to check over Mr. Walter's returns. It goes through two hands before it comes to me, and I assume that it is right.

Q. Well then you cannot remember that the question I have just referred to, of the right of an allowance for the whole mile, when only a fraction of a mile was towed had been brought up? A. It has not been brought up to me, no.

Q. You remember no discussion on that point, Mr. Dufresne? A. No discussion whatever.

Q. Well, I draw your attention now to it emphatically that it has gone on, so you will have to inquire into it and raise the question. Many thousands of dollars in the past have been paid out to the contractors in that way, in the past few years? A. In the case of Fort William and Port Arthur, certainly we have a district engineer there who is in charge of the actual performance of the work. I assume that this man is clearly conversant with all the local conditions there. I assume that when he makes a report out that it is right. It comes down to Ottawa and Mr. Walters has instructions to see that these reports are all right, as far as the contract is concerned.

Q. Well now, as a matter of fact, has the corrections of the work done by resident engineers of district engineers been assumed in your department? A. No, by no means. Every time anything in any engineer's report gives me an idea that anything is wrong, the matter is always taken up with the engineer.

Q. Your department has no travelling inspecting engineer for the district engineers? A. We have an engineer who goes around occasionally.

Q. Who is he? A. Mr. Valiquette.

Q. Is he under the chief engineer? A. Yes, he is a sort of travelling inspecting engineer in case any trouble arises in connection with any contract.

Q. What I want to get down to is this: we will confine ourselves to this in the meantime, you personally reside here in Ottawa? A. Yes, sir.

Q. And your duties keep you here? A. Yes.

Q. And you are not able to go out and supervise what the district engineers are doing? A. No, sir.

Q. Now, I take it for granted, Mr. Duframe, from what I have heard, that there is no instituted regular inspection of resident or district engineers from your office? A. Not very much, no.

Q. There has been incidental or casual inspection of something that has occurred? A. Yes.

Q. But as a regular or instituted thing there is no inspection? A. No, there is no regular system of inspection.

Q. And these different district engineers vary in quality and ability and every other way? A. I presume they do.

Q. You know that to be the fact from your actual experience—that some are able and some are not? A. I do not say that; some are more able than others.

Q. Then we will put it that way? A. Yes, I would not like to say that some are able and some are not.

Q. Now, just from the facts and matters that I have brought to your attention, do you not fancy that it would be advisable to have a regular course of inspection from the top down, over the district engineers, and the work that would be performed? A. Yes, sir.

Q. Somebody to go around and see that they were being kept up to their work, and perhaps that they had the proper appreciation of their work? A. Yes, sir.

Q. And to bring as it were the department itself and its views and ideas into closer touch with those scattered district engineers? A. Yes, I may say that personally I felt very much handicapped in my work last year owing to the fact that I was not able to go away and see more of those works.

Q. Of course, if you were going to put the dredging business under a better system, the probability is that you would yourself make at least one general visit to your resident engineers, if you could? A. Exactly.

Q. But after you had done that and had got your department going, your duties would keep you here pretty closely, and you really, I consider, should have inspectors? A. I really could not be very much away.

Q. And you really should have some thoroughly capable man in touch with you and inspecting the engineers themselves and their work? A. Yes.

Q. Co-ordinating with you as it were? A. Yes.

Q. Can you say now off-hand whether there are many dredging contracts made in the past which are still alive and effective for this year and the future? A. There are not very many, speaking off-hand, possibly two of the very largest contracts are of that nature, Fort William and St. John, New Brunswick. The new contracts are what are known as two year contracts and they have still next year, that is the coming season, to run, and there are cases of a few contracts that were let last year, supposed to expire on the 15th of December, 1911, which were not completed, and which possibly may be extended for the purpose of completing them.

Q. Will you kindly have a list of those contracts that have not been exhausted? A. That will be prepared.

Q. Thank you—well now, I suppose you will admit this, as a principle, that contracts should be made for some time and for some large quantities, spread over a time, as a general rule more satisfactory contracts could be obtained, I think more satisfactory prices? A. To spread the contract over a certain length of time, do you say?

Q. What I mean is this, laying it down as a general rule; if you knew you were going to have a certain amount of work done in a particular place or year over a considerable time, you could probably get better prices by asking tenders for that work? A. Exactly.

Q. So that it would be important if the plans of the future dredging could be taken up in some large way, thought out and laid down as a policy? A. Yes, sir.

Q. As, for instance, that could be dealt with with regard to the harbour at Tiffin, with a certain area, a large area to be dredged, and that could be offered for two, or three, or four years, a certain quantity per year to be taken out. Would you expect to get very much more competition and more satisfactory prices than if

it were done year after year with a new tenderer every year? A. With a new tenderer every year?

Q. It would be better than with a new tenderer every year? A. Yes, on the principle that the larger the quantity the cheaper the price.

Q. On the principle that the larger the quantity the cheaper the price? A. Yes, sir.

Q. So, would it not be highly desirable if it could be done that way, where dredging is to be done which may be pretty large and pretty continuous, if a well thought out plan in each case could be arrived at? A. Exactly.

Q. And not merely, as in the past, asking for tenders this year, another one next year, and so on? A. No.

Q. But the latter has been the rule, has it not? A. I beg your pardon.

Q. It has been the practice in the past that these plans were not thought out? A. In some cases, yes.

Q. In most cases? A. Yes, in most cases.

Q. It has been only in one or two cases that what you would call a large quantity contract has been let, has it not? A. Well, I said a few moments ago that in most cases—I should not have said in most cases—you were referring a little while ago to Tiffin and Victoria harbour?

Q. Yes? A. These are cases where year after year we let new contracts where it would be better, in my mind, to think out some large scheme, and make a call for tenders for the whole thing. There are isolated cases though. As a general rule, we call for tenders where they will finish in a season.

Q. I find at Collingwood, for instance, that work has been done every year since 1900, without inspection? A. Last year also.

Q. Yes, in 1911 a small quantity, nearly six thousand dollars' worth, and the year before that a smaller quantity—no, that would be for the year ending 31st of March, 1911. Last year there was none? A. I do not know much about that; that happened before my time.

Q. Now, there is nearly six hundred thousand dollars that has been spent in Collingwood harbour in ten years? A. Going back ten years ago, I think it is only natural to suppose that no engineer or body of engineers could conceive at that time that the requirements would be for ten years, undertaking all that dredging.

Q. No, but surely for a harbour which has required work to be done every year for ten years, quite a large amount of work in each year, that is not merely speaking of something that is building in there, but it is evidently dredging out some large scheme, a channel or something of that kind? A. The particular case you are speaking about there is Collingwood, and I do not know the particular locality, but any large port like that generally implies dredging for various projects, not a large scheme like deepening the whole harbour, so much as deepening a certain channel here and one there, or a channel alongside a certain dock.

Q. I was trying to lay down a general principle: you will admit that where a general scheme of improvement can be arrived at it would be desirable to give out the work for a large quantity? A. Exactly.

Q. Well then, there is another thing that I have noticed in reading over your specifications. All your specifications for dredging have this condition in it, that the dredges shall be the property of the tenderer at the time he makes the tender. Now, can you give any justification for that provision? A. The idea I have always had with regard to that was that the department did not want to invite foreign competition.

Q. It would not necessarily be foreign competition which would result, because why could not a Canadian person or company who was able to put up the necessary security for the purpose of a contract, be allowed to tender on the condition that before undertaking the work their dredges should be registered as Canadian bottoms? A. The question is why should they not be allowed to tender?

Q. Yes, can you suggest any reason why? A. No.

Q. Under the specification, as it is at present, a tenderer can go to the United States and buy a dredge and all the other plant required and tender for a contract and if he secures it he can perform it with an imported American dredge, that is with a dredge that he has imported from the United States. Of course, in such a case when he tenders by securing the vessels and plants before he makes the tender, he takes the risk that if he does not get it he will have the plant on his hands? A. Yes.

Q. And the result must be to shut out from competition a number of persons who would be quite capable of buying the necessary plant after they got the contract and to throw the dredging contracts into the hands of a few companies and persons now in Canada who already have the plant. That is obvious, is it not? A. Yes.

Q. Now, I was asking this: if that competition were struck out, and its place taken by another, to the effect that no dredge not registered in Canada should be permitted to commence the work of dredging—what would you say as to that? A That would be preferable.

Q. That would be secure, just as in the other case, that the vessel should be a Canadian bottom at the time she did the work? A. Yes.

Q. It would allow any person or company who could raise the necessary money and were prepared to do so, to tender for a contract, and if they got it to go into the dredging business? A. Yes. Might I be allowed to read that clause of the specifications myself, please. I do not remember the exact wording of it.

Q. Yes, here it is (reading) "We agree that the dredge which we intend to employ on this work was duly registered in Canada at the time of the filing of this tender with the department." A. Well, there is no doubt in my mind that is absolutely wrong. It is absolutely wrong to exact that a man shall go and import dredges and then have them on his hands if he does not get the contract. That is bad, in my opinion.

Q. Now, Mr. Dufresne, I will ask you to produce a copy of the specifications and tenders for dredging, which have been in force in your department during your time, and also you compare it with the specifications and say if you can find out when that particular provision was first introduced into the specifications? A. Yes, I will do so.

Q. Dredging in the harbours of the Great Lakes and on the Atlantic and Pacific seaboards has taken place in the United States to a very great extent for very many years, has it not? A. Yes, sir.

Q. And the probability is that there is a great deal of dredging plant in that country? A. Yes.

Q. Do you know, as a matter of fact, that there is on the American side of the Great Lakes a great deal of dredging plant? A. I do not know the extent of the plant. I hear occasionally of various dredging contractors who have considerable plant.

Q. Do you know whether dredging on the American side is done by tendering and by contract or whether it is done chiefly by government plant? A. Generally by tenders and contracts.

Q. Then it would follow from that and from their immense seaboard that there must be a great deal of plant.

Q. And, as in all machinery, the probability is that the Americans are up to date, in their more recent plant.

Q. According to the general rule they would have the best in the world, would they not? A. Yes.

Q. Then if time contracts could be given, or large quantity contracts I would call them, more work could be done over a number of years—if such contracts could be more largely given by the department, and if this provision that I have just

referred to could be stricken out of the specifications, so that any Canadian company or individual could tender, and, if they should get a contract, procure the necessary dredges, would it not extend the field of competition very materially? A. Yes, sir.

Q. And the probable result would be a very great lowering of prices for work done? A. Yes, I presume it would lower the prices.

Q. Well, have you not noticed from your tenders that have come in year after year that in many places or, at least, in a large number of places, there is not much competition for the work? A. In a number of places it appears that there is not much competition.

Q. And in those places where there was not much competition, the rates were invariably pretty high? A. Well, that would be without recollecting at present any particular instance. I think that would be right, we would naturally assume that it would be.

Q. Well, for illustration, here is the schedule of tenders received for 1907. We will just glance over this schedule for a moment—we will take Ontario as an illustration: now, you notice the prices for all other material there in the case of Bell river, that year, one man was fifteen cents and the other twenty-eight cents, nearly double? A. Yes.

Q. And skipping down to Chenal Ecarte, Ontario. it varied from fifteen cents to eighty cents in another? A. Yes.

Q. For the same kind of material? A. Yes.

Q. Then take Cobourg, in that year it varied from eleven cents in one case to twenty-seven cents in another? A. Yes.

Q. Now, I want particularly to call your attention to this fact, in that year the lowest tenderer at Cobourg was eleven cents and at Hamilton was twelve cents? A. Yes.

Q. Well, in such a small place as Goderich, it was twenty-five cents? A. Yes.

Q. There was only one tender there. And in Kincardine it was twenty-five cents, and only one tender? A. Yes.

Q. And in Meaford, the tender was for thirty-four cents, the lowest? A. Yes.

Q. So you see that in cases where there were many tenders or quite a number of tenders the prices were lower? A. Well, I think it would appear that in calling for tenders for a certain piece you like to get as many as possible, but there may be some certain condition here that made it hard to dig, or something.

Q. *Prima facie,* it looks as if where competition exists the price is lower, although usually that may be explained away by local conditions? A. Yes.

Q. At any rate, as a rule, more competition means lower prices? A. Yes.

Q. That is disregarding the local conditions? A. Yes, of course where there are a very few tenders received, naturally the lack of competition is likely to make prices higher.

By Mr. Lake:

Q. I want to find out, with reference to these particular contracts, are the tenders called for in a bunch at the beginning of the season? A. Most of them, yes, the majority of them are.

Q. And is a considerable time given for the persons who are supposed to tender to send in their tenders? A. In the cases I know of a considerable time is given; I think, as a general rule, it is three weeks from the first appearance in the newspaper. That is to the best of my recollection.

Q. Three weeks from the first appearance in the newspaper of the advertisement? A. Yes, I think it is that. It is a long time. I think in every case I know of.

Q. Well, you consider three weeks is long enough in all cases, do you? A. I think so, yes.

Q. I notice in this form of tender which I have in my hand that work is to be begun within thirty days after the signing of the contract? A. Yes.

Q. From that, I presume the tenders are only called just before work is to be begun and a man has to make up his mind whether he can tender or not very rapidly? A. Well, you are dealing with tenders there for work that I am not familiar with. Those are old contracts that you have in your hand, I think.

By the Chairman::

Q. I had some conversation with you yesterday about the practice in preparing for dredging work and I would like to ask the same questions in order to get the matter on record. I understand that about October in each year it is your custom to send out a letter to the district engineers asking them what dredging work they propose for the next season? A. Yes.

Q. And when the replies come in to this circular, they are tabulated? A. Exactly.

Q. And the copy of the tabulated replies is given by you to the minister? A. Yes, sir.

Q. Or to the deputy minister? A. To the minister and deputy minister and assistant deputy minister.

Q. This is given to them for consideration? A. Yes, sir.

Q. Now, in addition to the suggestion made in that way for future work, the minister may have representations made to him by members of parliament? A. Exactly.

Q. Or by applications from companies or individuals who are desirous of having dredging done? A. Yes, sir.

Q. Representations of that kind, however, would not come to you at that stage, would they? A. As those requests or representations come in to the minister or the deputy minister they are always eventually transmitted to my office, or rather to me, with the request that an examination may be made and find out what is required, and eventually I send them to the district engineer.

Q. You send them to the district engineer for a report? A. Yes.

Q. And eventually, you get the information that you want? A. Yes.

Q. Well now then, when the parliamentary estimates come to be made up, the departmental estimates come to be made for the consideration of council and to go on to parliament later on, are those estimates made up from the consideration of the particular information you have got in? A. No, sir.

Q. The system has been to put into the estimates a lump sum that would be allowed for dredging in one province and the other, has it not? A. Yes, apart from special votes.

Q. Of course, in the estimates there are some special votes chargeable to capital? A. Yes, and a few to income.

Q. And those special votes chargeable to capital in the estimates as they are made up now are such works as Fort William, Tiffin, and Victoria harbour? A. And Quebec and St. John, New Brunswick.

Q. And such large works as may be described as capital works? A. Yes.

Q. But I suppose the general idea is that if they are large new works of sufficient importance they are chargeable to capital? A. Yes.

Q. And special things will be charged against income? A. Yes.

Q. What will be the reason for distinguishing this very large block vote for the provinces? A. They may be works that are fairly large or imply a fairly large expenditure.

Q. That may be more than one year, for instance? A. In some cases yes, and it is generally thought desirable to keep very large expenditures out of the general expropriation for dredging.

Q. Well then there is placed in the estimates a general appropriation for dredging, divided up something like this: Dredging in the maritime provinces, so much? A. Exactly.

Q. Dredging in Ontario, so much? A. Ontario and Quebec, so much.

Q. Ontario and Quebec go in together? A. Yes.

Q. And dredging in what other provinces? A. British Columbia.

Q. That is a separate item? A. Yes, and Manitoba, Saskatchewan and Alberta.

Q. Now, in arriving at the amount which would be allowed there, regard is not had so much to the claims for work from that province as to the amount which the department or rather the minister, thinks he can afford to let that division have for that year? A. That is right.

Q. For instance, he arrives at it in this way, after consultation with the deputy minister, perhaps, by saying, well, we allowed so much to the maritime provinces last year—this year we can allow them so much, more or less, than last year? A. Yes, or I think the decision as to how much will be provided is arrived at in Council.

Q. Well, the estimates are always taken over by the minister, the department estimates which he asks for are taken over by the minister to Council but the Council may cut it down of course? A. Yes.

Q. Well, anyway, that is the way in which the propositions of the minister or of the department, perhaps I had better say, are made up? A. Yes.

Q. By regard to what they think it can be afforded to a particular province? A. Exactly.

Q. And they go before Council and the matter is presumably discussed, and then it comes to parliament? A. Exactly.

Q. Now, up to that stage you are not asked to give an estimate of what, as the man in charge of dredging, you think the public service requires? A. No.

Q. You do not, for instance, sit down and go over the various applications and exercise your own discretion in the light of the information you have, and say: this year we ought to have so much for Ontario and Quebec and so much for the maritime provinces? A. No, as regards the general appropriation, I am not asked, and we are only instructed.

Q. Yes, only the general appropriation. Then parliament having voted the amount, and you seeing what the general appropriation for a particular section is, how is it divided up, or parcelled up? A. A certain proportion of these appropriations is set aside for the maintenance and operation of the department dredging plant and the remainder is allotted for various contracts.

Q. Who allots it for the contracts? A. About March or April, generally in March, the deputy minister—I will give you what happened last year, which was my first year—the deputy minister and the assistant deputy minister and myself, got together and we, knowing how much was appropriated, deducted what was required for departmental dredging plant and took the engineer's estimates.

Q. The district engineer's? A. Yes, the district engineer's estimates, and went through that list and tried to arrive at conclusions from the engineers' reports as to what were important that is, what were of the first importance, the idea being to do those. The district engineers in replying to my circular letter are supposed to point out whether the work is important or not, whether it is work of a private or public nature, and how important. They give us statistics of shipping and commerce of each port, and we try to arrive at the conclusion as to what work should be undertaken. This does not definitely establish what work will be done. It is laid before the minister, and he approves of it or not.

Q. The minister has the last word on that subject? A. Yes, the minister has the last word on that subject.

Q. Having got his vote? A. We lay out the tentative programme for him.

Q. And he having before him a general vote say five hundred thousand dollars

for the maritime provinces, has to provide first of all for the government plant? A. Yes.

Q. That is really a fixed charge? A. Absolutely fixed.

Q. And then he will have a large amount outside of that which is simply subject to his discretion? A. Yes, and the tentative allotment of that is just before him.

Q. Suggested to him in the way you have described? A. Yes.

Q. And he says whether it shall or shall not be used in that way? A. Yes.

Q. And he may strike out any item which you have suggested? A. Yes.

Q. Or increase or decrease any item you have suggested? A. Yes.

Q. He gives no reason for that but simply fixes the amount? A. Yes.

Q. So, with regard to that unfixed amount and the general vote, the minister is the sole arbiter of it? A. Yes.

Q. He doesn't even give the reasons why he has decided in that way? A. No.

Q. It may or may not be political reasons? A. Yes.

Q. And that allocation is sent to you in writing?

WITNESS: From the minister?

Q. Yes? A. He marks on this list which we have handed him either "approved" or his suggestions.

Q. And do you keep this list on your files? A. I think they are on the departmental files.

Q. You think they are still on the departmental files? A. Yes, not on my own particular files.

Q. The directions of the minister are marked on the departmental files? A. Yes.

Q. And after that it passes into your care to direct about the work? A. Yes, the calling for tenders and so on.

Q. Well, now, the amount which is going to be spent either in particular harbours under capital account or as against income under special designation, or out of that general vote, cannot be fixed in any one year until parliament has passed the appropriation? A. No.

Q. Consequently, until that is done, you cannot call for tenders? A. No.

Q. Well, then you come back to the question which Mr. Lake asked you a moment ago, which is this: if it were possible to fix your programme of work for one year very early in the year, would it not be very desirable to give longer notice for tenders in order that people might consider what they are going to do, and if they get the contract have a much longer time afterwards to prepare than is now given? A. I do not know exactly positively what length of time we give. I stated a little time ago that it was about three weeks, and I think it is.

Q. Yes, from three weeks up to a month? A. We have never had any complaints that I have ever heard of that too short a time was given, and, as a rule, I think that we give sufficient time.

Q. Let me point out this to you, under your specifications, whereby a tenderer must at the time he tenders be in possession of the dredges, you, by your present system, give all the time that is necessary, because you actually restrict the number of possible tenderers down to the men who have a plant and are in the business? A. Yes, but if you will allow me, I am not positive that our present tenders and specifications and contracts, that is to say, of this last year, are worded the same as that clause that I read a little while ago.

Q. What I want to ask you now is this: if the dredging programme for a season could be arranged very early in the year, there would be no objection to calling for tenders early in the year, would there—there would be no objection or difficulty in the way? A. How early, may I ask? What do you suggest by early in the year, do you mean January or February?

Q. Yes, if you had your appropriations settled by parliament so that you could safely proceed with the arranging of the programme and calling for tenders? A.

I could see no objection if parliament settled the amount, to ask for tenders early in the season, and it might be that it would increase the competition.

By Mr. Lake:

Q. Were you a resident engineer in Manitoba? A. Yes.

Q. Where did you reside at that time? A. In Winnipeg.

Q. There was a good deal of dredging going on in the province, I presume? A. A small amount of dredging.

Q. At various places? A. Yes.

Q. When the policy was decided on of having dredging done at those places, what was your usual procedure, did you go out and examine the localities? A. The localities were examined, yes.

Q. And the nature of the material to be dredged? A. Yes, and I may say by the way, that west of the Great Lakes there is no contract dredging, it is all departmental dredging.

By the Chairman:

Q. Now, we will deal with government dredging. The department has government dredges from the Great Lakes and on the Pacific coast, and all the dredging i done by government dredges, I understand? A. West of the Great Lakes all departmental dredging is done by their own plant.

Q. Is that true of British Columbia also? A. Yes.

Q. There is no contract dredging there? A. No, sir.

Q. Is there much dredging in British Columbia, by the way? A. A considerable amount.

Q. Chiefly where? A. Chiefly in Victoria, Vancouver and the Fraser river.

Q. Well, then, there are some dredges in the prairie provinces? A. There is a dredge north of Edmonton on the Lesser Slave, a very small type of dredge, and there is another at Last Mountain lake, a small dredge. Then, in Manitoba, we have five or six dredges of a very small type.

Q. Those Manitoba dredges, what are they doing? A. They are dredging as a general rule at the mouth of the alluvial streams in that province.

Q. For the purpose of keeping navigation open? A. For the purpose of maintaining channels.

Q. And navigation? A. Yes.

Q. You have government dredges on the Great Lakes? A. Yes.

Q. And on the St. Lawrence are there government dredges? A. Yes, down the St. Lawrence and down the Ottawa.

Q. And then? A. A few departmental dredges on tributaries of the St. Lawrence, for instance, up on the Lievre river on the St. Maurice river, and on the Saguenay river.

Q. Then there are dredges in all the maritime provinces? A. Oh, yes.

Q. You have what is called superintendent of dredges, have you not? A. Superintendents of dredging, yes.

Q. Of dredging? A. We have in Ottawa a general superintendent of dredging and an assistant superintendent of dredging. Then, we have local superintendents of dredges.

Q. Local superintendents of dredges? A. Yes.

Q. In Ontario and Quebec, how many local superintendents of dredges? A. The only ones in Ontario and Quebec are the general superintendents of dredging and the assistant superintendents of dredging.

Q. Here you mean? A. Yes, in Ottawa.

Q. Then, these superintendents of dredges that you spoke of are in the maritime provinces? A. Yes, and also in British Columbia.

Q. In Manitoba? A. No.

Q. Who looks out for the dredges in Manitoba? A. The district engineer.

Q. Residing at Winnipeg? A. Yes.

Q. What is his name? A. Earle.

Q. Then these dredges on the Saguenay and other rivers tributary to the St. Lawrence, are not inspected except from here? A. Yes. Pardon me one moment; you are asking about superintendents, but we have local travelling inspectors, a number of them operating from headquarters here.

Q. We will deal with the superintendents in the first place. How many superintendents have you in the maritime provinces? A. Two.

Q. Who are they? A. Mr. Scovil at St. John, N.B., and Mr. Graham at New Glasgow.

Q. And the man at New Glasgow has jurisdiction where? A. Over the Nova Scotia dredges.

Q. All the province of Nova Scotia? A. Yes, and Mr. Scovil has jurisdiction over New Brunswick and Prince Edward Island.

Q. That is rather a peculiar division geographically, because the man at Pictou could very much better look out for the northwest coast of Nova Scotia, while the man at St. Johns could look for the Bay of Fundy dredging and the west coast of Nova Scotia? A. Well, the geographical division does not appear to me to be so wrong, as the man at St. Johns looks after New Brunswick and Prince Edward Island. I think he is able to go to Prince Edward Island quickly.

Q. (Interrupting).—Is there any reason you can suggest for a man from Pictou that could go up to Yarmouth in the province of Nova Scotia, while a man from St. Johns could get across in a few hours? A. No, but if you were to figure out most of the work of our departmental dredges, and had them before you, I think you will say that a man in New Glasgow has his dredges fairly well under his notice.

Q. As a matter of fact a very great deal of the dredging has been done in Yarmouth, the most expensive place in Nova Scotia? A. Yes, but these superintendents of dredging have nothing to do with contract dredging, and the Yarmouth dredging has not been done by the departmental dredges.

Q. Well, take note now, the same question of distribution of authority is being considered by the Marine and Fisheries Department, with reference to certain of their inspectors, trying to have the man residing in St. John look out for the Bay of Fundy and the west coast of Nova Scotia, and the northeastern end of Nova Scotia and Prince Edward Island, should be under another jurisdiction? A. May I show you on the map here. I think if the reorganization takes place, probably one superintendent would be enabled to look out for the whole of the maritime provinces, that is implying that we would have travelling inspectors also.

Q. Well then, besides the superintendents, you say you have local inspectors of government dredges? A. Yes, sir.

Q. Here in Ottawa? A. One in Ottawa. They reside at various places.

Q. You mean to say they are scattered all over the Dominion? A. Not over the Dominion. We have one in Toronto.

Q. Who is he? A. C. H. Patterson, who looks after four of our dredges, keeping them in repair and seeing that they are operating properly.

Q. He is instructed direct from the head office? A. Direct from the head office.

Q. Yes, by you? A. Yes.

Q. And reports directly to you? A. Yes.

Q. Not to the superintendents of dredging in any way? A. Occasionally he corresponds with the superintendents of dredging. He does now report to me, but the ideal condition is that he should report to the superintendent of dredging, who is responsible for the operation and maintenance of all the departmental dredging plants.

Q. These superintendents and inspectors are only supposed to concern themselves with the upkeep of the dredges are they not? A. Exactly.

Q. That is to say their physical condition? A. Exactly.

Q. They have nothing to do with the hiring or discharging of crews? A. They should have.

Q. But do they, in practice? A. Not in all cases.

Q. Well, would you say in any cases they have anything to do with the hiring of and discharging of crews? A. They do hire men, but, as a general rule, most of the men who are hired are not hired by them.

Q. What I want to get at is this; how is the duty of a superintendent prescribed? A. Generally, the superintendent of dredging, his duties are to look after the operation and maintenance of all departmental dredging plant.

Q. Is that defined in any order in council or any instructions that you know of? A. Not that I know of.

Q. You have never seen a definition of his duties? A. No.

Q. Can you describe briefly what is practically and in fact the work which the superintendents do? A. They are supposed to be men of mechanical ability and thoroughly conversant with the operation and construction of dredges, and it is their business to see that our dredges are being operated and maintained properly, and to look after all repairs.

Q. When you say they are supposed to be men of mechanical ability, you mean to say they ought to be? A. Yes.

Q. Because they have things of a mechanical kind to look after? A. Yes.

Q. And when you say they are to superintend the operating, you mean to say that they are to see that the machinery is in a fit condition for operating? A. Yes, and see that it is kept in a proper condition.

Q. But the superintendents, as such, would have nothing to do with the actual working of the vessel, as it is carried on from day to day? A. Nothing whatever.

Q. Would he for instance ask the master of the dredge as to why he had not been working his dredge on some particular day or other? A. Yes.

Q. He might ask him why his machinery was not in good shape, but if the master would report that it was a stormy day and he had gone out he would have nothing to do with that? A. Absolutely, yes.

Q. He has a right to question the master as to all this proceeding? A. Yes.

Q. And require an account of what work he has been doing? A. Yes, the masters of all dredges are directly responsible to the superintendents of dredging.

Q. And the inspectors, is that true of them too? A. Yes.

Q. They are really superintendents under another name? A. They are agents of the superintendents of dredging.

Q. Here at Ottawa? A. Yes, or a local superintendent will have his inspectors.

Q. A local superintendent may have inspectors? A. Yes.

Q. Who are simply vice-superintendents for the time being? A. Yes.

Q. Doing his work and acting as his agent? A. Yes.

Q. The inspectors are really superintendents? A. No, I do not wish to convey the meaning that the inspectors are superintendents in the higher sense, or that these inspectors may be regarded as of the same rating as superintendents.

Q. You mean they are subordinate officers reporting to the superintendents? A. Yes.

Q. But doing the same work in relation to the dredges? A. Yes, they keep their superior in touch or advised as to the working of the dredges. They are generally, as a rule, we prefer to have men who have been successful as a captain or dredge-master, men of long experience. This man Patterson, in Toronto was one of our best dredge-masters and makes in consequence, a good inspector.

Q. Well, take the case of Inspector Patterson, he would, during the season, go around and see that the dredge was in good shape as to her hull, that her machinery was in proper order, and would require an account of what she had been doing from day to day? A. Yes.

Q. And would consult with the master as to how his crew were satisfying him and so forth? A. Exactly.

Q. And if any cause of complaint arose, he would refer it to the superintendent? A. Exactly.

Q. Now then, each dredge of any size is supposed to be under a master? A. Exactly.

Q. He is on board of her? A. Yes.

Q. And he has officers and a crew? A. Yes.

Q. Who hires the master or who appoints him and dismisses him, and so on? A. The superintendent of dredging is supposed to hire the captains and the dredge-masters.

Q. The superintendent of dredging; you don't mean the general superintendent here, but the superintendent in the maritime provinces, for instance? A. Yes, but not without referring the matter to headquarters.

Q. Has there been a captain employed or discharged during your year and few months of operation? A. Yes.

Q. What I want to know is—well, taking that case, who discharged him? A. Let me think please. We had a case last summer of a man who was discharged or who left the dredge, that would be a better way of putting it.

Q. Was he the master, or one of the crew? A. He was the captain of the dredge, or master, it is the same thing, and in this case the promotion from cranesman to captain—the cranesman was appointed in his place.

Q. Who appointed him? A. He was appointed by the superintendent of dredging here at Ottawa.

Q. By the superintendent here at Ottawa? A. Yes.

Q. Was that done after consultation with you? A. Yes, in this particular case it was.

Q. And you, I suppose, before you did it, consulted the minister? A. No, not in this case. I consulted the inspector, the travelling inspector who was aware of the circumstances.

Q. You talked with him? A. Yes, as to this man's qualifications.

Q. Did you take upon yourself the responsibility of making the appointment without reference to anybody above you? A. Yes, in this case, yes.

Q. Is that the only case you can call to mind, Mr. Dufresne? A. Let me see—I remember a case last year of a new dredge of ours in the maritime provinces, constructed for Prince Edward Island, and at the time we wished to have a captain the name of some man was suggested to us. The superintendent came to me from the minister's office, to appoint a certain man.

Q. Now, what I am trying to get at first, is where the authority to discharge and appoint resides, and then later I will get at how and where it is exercised. I want to know how discipline and authority is exercised. Take, for instance, if a local superintendent in the maritime provinces, Mr. Scovil for instance, was dissatisfied with the captain of a particular dredge, now has he authority, or would he have the authority, to say to that man: "I dismiss you" without referring it higher up? A. He should refer it to headquarters.

Q. It would have to come in the proper channel through the superintendent of dredging, and from him to you? A. Exactly.

Q. Well, now, you have no authority, I presume, by any order in council or any document of any other kind, to dismiss a man? A. I have not the authority, I report the case to the deputy minister.

Q. To the minister? A. I never report direct to the minister, but the deputy minister. All my correspondence goes to the deputy minister.

Q. And presumably the deputy minister would consult the minister? A. I suppose so.

Q. So apparently, the authority to dismiss rests in the minister? A. Exactly.

Q. Whether the authority resides in the minister or not, in practice, it would come back to the minister, would it not? A. Yes.

Q. Because with regard to the master or one of the officers of any of these dredges, a superintendent, a local superintendent or inspector, or even the superintendent of dredging here would not take upon himself to dismiss that man? A. No, not one of the higher officers.

Q. Consequently, the exercise of discipline and authority over the men in charge of these vessels is a very remote thing, is it not? A. Yes, quite so.

Q. And, therefore, the character and value of the men who get that job, on one of these vessels, is a very important thing at the commencement, isn't it? A. Yes.

Q. Once in, it is hard to get him out? A. Yes, that is one of the faults of the present system, namely, that the actual people, the officer in charge of dredging operations, have not got the proper control of crews.

Q. Are you familiar with the commercial method of dealing with steamship officers and men? Have you ever inquired into it? A. Not particularly. If you were to ask me the same question about contractors' dredges, I am fairly familiar with the methods they follow.

Q. Well, taking the method in use in dredges of contractors, who is in charge of a contractor's dredge? A. A contractor having a dredge or a number of dredges, naturally looks around to get a satisfactory captain for his dredge, a suitable man to place in charge of his dredge. Having decided upon whom he will put in charge, he gives this man full authority to employ whom he wishes, and to dismiss whom he wishes, and that, to my mind, is the ideal condition.

Q. Let me tell you that in large steamboat companies and vessel companies of one kind and another, there is a man in charge of the ship who is called the ship's husband, and he employs everybody from the captain down. In the case of a large steamship company, a ship's husband is a very important man, indeed. He has the absolute power of employment and dismissal, and consequently, his work is very effective. He might, or might not, with regard to the particular cases, mention what he was going to do to some one higher up than himself, but he has the power to do it without any question, and don't you think that some such system is necessary for the effective working with government dredge scattered all over the Dominion? A. I do, yes.

Q. For instance, take the maritime provinces, your superintendents there ought to be men of sufficient capacity and authority to employ and discharge all those who are connected with the dredges? A. Quite so.

Q. And they should be held responsible for the character of the work they do? A. Exactly.

By Mr. Ducharme:

Q. You say that these inspectors make a report of their work? A. They make a report.

Q. Yes, they make a report in the fall? A. The inspectors?

Q. Yes, the inspectors go around and report? A. This is in connection with departmental plant, our own dredges.?

Q. No, with the contracts? A. Then, it is the district engineers you refer to.

Q. What kind of a report do they make? A. A report which deals with the work that is required at a certain place, the amount of material that is to be removed, and so forth.

Q. Do they make any soundings? A. Yes, preliminary to a report, they make soundings and ascertain the nature of the material and make plans and figure out how much material has to be removed.

Q. They make a pretty accurate report? A. Oh, yes, close enough to base a call for tenders on, or to estimate how much the work is going to cost.

Q. And the moment that is done, you are ready to call for tenders? A. Yes, presuming we have the money.

Q. But as far as the call for tenders is concerned, you are ready? A. As soon as we have the engineers' reports we are ready to call for tenders, that is, if we have sufficient information.

By the Chairman:

Q. As much as you ever have? A. Yes, unless we order a further survey.

By Mr. Ducharme:

Q. Then you said that when you made a contract in all those contracts you put in so much for towage, extra towage—now, if your soundings are made you ought to be able to prescribe the distance for towage exactly, so as not to have any extra towage? A. Well, in large contracts, we could mention where the towages would be. It is understood that to tow material three miles away and to tow it five miles away, it costs a great deal more for five miles.

By the Chairman:

Q. But he is saying that it ought to be possible to lay down in the calling for the tenders the distance of the towage? A. Yes, in a lot of cases. There are cases of course, where you have to change the dumping ground.

By Mr. Ducharme:

Q. Can all the dredging be done by one single department? A. Yes, absolutely.

Witness retired.

The Commission then adjourned.

OTTAWA, MONDAY, March 4, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE Esq.,
Commissioners.

Examination of JAMES B. McMURRAY, of St. John, New Brunskick, mechanical inspector of dredges in the maritime provinces.

Examined by the Chairman:

Q. How old are you, Mr. McMurray? A. 58.

Q. How long have you been working for the government? A. Since August, 1877.

Q. Have you been working for the government ever since that time? A. I was off for four months.

Q. In what year? A. I was off four months about seven years ago.

Q. How long have you been connected with dredging? A. Since 1877.

Q. You have been connected with dredging all the time you have been in the government? A. Yes.

Q. You were the master of a large, I understand? A. Yes, master engineer.

Q. Master engineer? A. Yes.

Q. Of what dredges? A. Well, of the dredge *Cape Breton*, and I was formerly engineer since I have been in the service.

Q. Were you an engineer paid for profession? A. Yes, sir.

Q. Are you a marine engineer or a mechanical engineer? A. A marine engineer papers and mechanical engineer, I served five years bound apprentice.

Q. That is for the mechanical part? A. Yes.

Q. And then you were acting as a marine engineer? A. Yes.

Q. Driving boats and so on? A. Yes.

Q. When did you become inspector, Mr. McMurray? A. Two years ago last spring.

Q. Then you passed from the charge of the *Cape Breton* and became an inspector? A. Yes.

Q. How long were you in the *Cape Breton* altogether? A. I was in her from the fall of 1896.

Q. You were in the *Cape Breton* from the fall of 1896, that is when you went into her? A. Yes.

Q. And you remained there until 1910? A. Yes, and four months I was out.

Q. You were there fourteen years in charge of the *Cape Breton?* A. Yes.

Q. She was operating in the maritime provinces? A. Yes.

Q. Now you are inspector of machinery of dredges all over the maritime provinces? A. Yes.

Q. And you go from place to place upon the call of a superintendent? A. Well, yes, there is a call, but I often go without a call, just to have a look around, that is my duty, and to report.

Q. Besides superintending the machinery during the season, when the dredges are through operating, when repairs come to be made to the machinery, are you to inspect them also? A. Yes, sir.

Q. To see that the repairs are properly made of course? A. Yes, sir.

Q. Then it is a position which keeps you pretty actively employed? A. Very much so.

By Mr. Lake:

Q. You report to the superintendents I understand? A. Yes, sir, I report to the superintendents.

Q. You travel then in Nova Scotia, New Brunswick and Prince Edward Island? A. Yes.

Q. There are two superintendents there I understand, one at St. John, New Brunswick, and one at New Glasgow? A. Yes.

Q. Mr. Scovil is at St. John, New Brunswick? A. Yes.

Q. What is his name? A. George E. Scovil.

Q. And the other man's name is? A. Mr. Graham.

Q. What is his full name? A. George N. Graham.

Q. Mr. Scovil would be a man of 65 or so? A. Yes.

Q. And Mr. Graham is a man of what age? A. About 35, I should judge, somewhere about that, but I wouldn't swear to it.

Q. Neither of these men are practical dredge men? A. No, sir.

Q. And neither of them has had anything to do with dredging except in their present positions? A. No, sir.

Q. They are not engineers by trade or profession? A. No, sir.

Q. Now you have nothing to do with the employment of men I understand, Mr. McMurray? A. No, sir.

Q. Not even the engineering staff? A. No, sir.

Q. Do you have anything to do with the ordering of machinery or any thing of that sort? A. Well, yes, sir, I have in a way. Mr. Howden, the general superintendent, has given me permission, has allowed me to order different things.

Q. Yes, but your regular business is merely to inspect, examine and report? A. Yes, sir.

Q. And I suppose in a case where a little repair of a trival nature is to be made you will order what is required and order these repairs to be done at once? A. Yes, sir, in order to same time.

Q. And then in doing your work the engineers of the various boats inform you from time to time of what is wrong, and so on? A. Yes, sir.

Q. Now in connection with the mechanical parts there would arise the question of supplies, of things needed for the engines and so forth? A. Yes, sir.

Q. First, there would be lubricating oil? A. Yes.

Q. And small spare machinery, parts of machinery, such as bolts and nuts and so forth? A. Yes, we always try to have a spare of everything.

Q. Is material of that kind—it is requisitioned for by the engineer of the boat, I suppose? A. Yes, sir.

Q. Does the captain of the dredge endorse these requisitions or have any control over them or does the engineer simply report to the superintendent? A. He reports to the superintendent.

Q. Makes a regular requisition to the superintendent? A. Yes.

Q. Have you any control or authority over that at all? A. Not at all, sir.

Q. That has been provided or have you everything to do with that, or of seeing whether there has been waste or not? A. No, sir, if it went through my hands, if I had authority to order this stuff, I would surely check it up.

Q. Now with reference to that wouldn't it be, in your opinion, a wise course that supplies required in and about the machinery should be requisitioned for, but the requisition will go through your hands before going to the superintendent? A. I think so, by all means.

Q. Their not being machinists or engineers, and knowing anything about it, they have no power to revise or criticise the requisitions, they simply get them filled, and that is the end of the business? A. Yes, sir.

Q. In your experience have you ever known that the superintendents did exercise any real and effective control over the amount of the supplies that engineers were getting? A. That is to check them right?

Q. Yes, or to revise requisitions—have you ever known them to do that? A. No, sir, I cannot think that I ever did.

Q. Well, now from your knowledge of books that are kept in the office of the superintendents, and so forth, do you know how much supplies are used by the different dredges, or to form a basis of comparison between one dredge and another? A. There are no books kept, we keep the bills, we can always refer to the bills.

Q. The accounts are being paid regularly? A. Yes, sir.

Q. But there is no list kept to see whether there has been over supply, or losses going on or anything like that? A. No, I do not know of any.

By Mr. Lake:

Q. Are your headquarters in any of those offices? A. Oh, yes, the St. John office, I have a desk in the St. John office.

By the Chairman:

Q. And are you familiar with the books and accounts there concerning these things? A. Yes, sir.

Q. You would not have any hesitation in saying that nothing of the kind is kept? A. No, sir.

Q. From your experience haven't you found a great variety among the different engineers in the running of machinery? A. Wonderful.

Q. One is economical and another wasteful? A. Yes, exactly.

Q. Don't you think it is very important that full examination should be made and a record kept of all supplies used for such service? A. Certainly, by all means, yes, sir.

Q. The quantities supplied for a dredge ought to be kept and a very exact account followed up as to the use made of those supplies? A. Yes.

Q. And the engineers ought to be held to a very strict account as to the methods of dealing with supplies of that kind? A. Yes, there are so many of them now it is important.

Q. And lubricating oils are very high in price? A. Yes.

Q. And a large amount of money is spent every year in that way? A. Yes.

Q. In the same way with reference to coal supplies, we might first take more the question of quantities. Some dredges, of course, are coal wasters, aren't they? A. Well, I can hardly say that.

Q. Well, you find a considerable variety in the amount of coal used in proportion to the amount of work done among the different dredges? A. Oh, yes.

Q. And then again I presume a good deal depends upon the engineer and the fireman in such cases as that? A. Yes, a great deal.

Q. If a very careful account were kept during the year of the amount of coal supplied to each steamer and the amount of work she did, it would form some basis on which you could judge whether a man was economical or not? A. Yes, sir.

Q. And I presume with reference to all these supplies if there is any stealing going on, you have no means from your office of telling whether it is going on or not? A. No, sir.

Q. And at present there is no basis of comparison between the different steamers and the different crews? A. No.

Q. Not at the present time? A. No, sir.

Q. Now with reference to the supply of these things, we will take the supply of coal. They are wanted for various steamers which may be during the summer, each steamer may be in a number of ports? A. Yes.

Q. And is the coal supplied here at the different ports during the season? A. Oh yes.

Q. And under the present circumstances that coal is purchased locally? A. Yes, sir.

Q. For instance, if a dredge is working at three or four places along the coast of Nova Scotia, from the time she wants coal, and she buys it at that place? A. Yes, sir, from the local dealers in many cases, that is the principle.

Q. If there are local dealers to supply it? A. Yes.

Q. And in many cases it may happen to be supplied from local supplies that are in the place? A. Yes.

Q. Stores there, for instance? A. Yes, sir.

Q. Now, in such a case as that coal taken out of a store or from some local supply would have a good many charges on it for handling and storage that would make the coal more expensive than if it were bought for the dredge in a special cargo? A. Yes.

Q. For instance, if you knew that at Lunenburg in Nova Scotia a dredge was going to be coaled at a certain time, if that coal could be bought by contract and brought from the mines by a special vessel to that dredge, the price for the coal would be much less? A. Yes, very much, and taking it from the mines you get a long ton, that is 2,240 pounds, and from the dealers you only get 2,000.

Q. A dredge like the *Cape Breton,* how many tons of coal does she use in the summer? A. She uses well the average is about one and a half, or one and three quarter tons would keep her a day.

Q. One and a half or one and three quarter tons would keep her a day? A. Yes, ten hours work and give good results.

Q. How much would she hold in her bunkers? A. 22 tons at once.

Q. Then she has to be coaled up every twelve days in working time? A. Yes, steady work.

Q. Well once a fortnight anyway? A. Yes, every second Saturday afternoon.

Q. How many months out of the year would she work? A. Generally eight months.

Q. The *Cape Breton* generally works about eight months in the year? A. Yes.

Q. So that would be pretty nearly 400 tons of coal a season? A. Yes, pretty near.

Q. And you have down there larger dredges than the *Cape Breton,* haven't you? A. Yes, sir. Now, for instance, the *Northumberland* will burn about five tons a day. She is one of those centrifugal pumps, and they run at a very high speed.

Q. She carries away a lot of steam? A. Yes, that would be about 1,200 tons a season.

Q. About 1,200 tons a season? A. Yes, and they have double shifts.

Q. And that would mean about 2,400 tons? A. Yes.

Q. What about the *Fielding?* A. If she has been supplied by Starr down there. all along, I don't know about her capacity.

Q. Is she in Halifax? A. No, in St. John at the mouth of the St. John harbour. I forget her consumption of coal per day now.

Q. Is she the largest dredge down there? A. Yes, the largest one in the service. She is what we call an elevator. We have three elevators.

Q. What you say with reference to the purchasing of coal in that way, from the local dealers, applies just the same to the purchasing of other supplies doesn't it? A. Yes, sir.

Q. Not only for the machinery but for the vessel's up-keep and the up-keep of her crew? A. Yes, and ropes are a big item.

Q. Ropes are a big item? A. Yes, sir.

Q. Are they purchased locally when wanted? A. Yes.

Q. And that of course is quite unnecessary because these ropes might be supplied from the rope works and shipped to you direct, couldn't they? A. Yes, sir.

By Mr. Lake:

Q. Does the price vary from place to place? A. Yes, very much.

By the Chairman:

Q. And the local price of ropes compared with the price at the rope works is very much larger? A. Yes, very much.

Q. And the Dartmouth Rope Works could ship to you at any place? A. Yes.

Q. And at very short notice? A. Yes, for they always keep a good stock on hand.

Q. In the interests of economy it should be done that way? A. Yes.

Q. You have nothing to do with the hiring of crews I understand, Mr. McMurray? A. No, sir.

Q. Who does hire the crews, the superintendents? A. No, sir, that is one great trouble down there, if we could hire the men we could get suitable men for that place, but they ask the Member.

Q. The superintendent asks the member? A. Yes.

Q. It is the superintendent who nominally puts the men to work? A. Yes.

Q. He is supposed to say ti one man or another. "You have the job"? A. Yes.

Q. But he gets his instructions from the local members of parliament? A. Yes. and through the minister and Mr. Dufresne, that used to be the old way of doing it. They have not been doing that lately, though.

Q. Not doing which, not going to the minister or to Mr. Dufresne lately? A. Exactly.

Q. You mean since Mr. Dufresne has been in the office? A. Well, ever since Mr. McCorkey died, he was superintendent of the maritime provinces before.

Q. Before the present men were appointed? A. Yes.

Q. That is about four years ago? A. Yes, about four years ago.

Q. He took his instructions from the minister and the engineer? A. Yes.

Q. But now coming down over the last three or four years the men have been named for employment by the local member, is that right? A. Yes.

Q. That means the member for the Dominion who happened to be there? A. Yes.

Q. Or where there was no member on the Government side by the defeated candidate or some one else on the government side? Yes, that is the way it was done down there.

Q. Would that mean the member or the friend of the government where the dredge happened to be when a man was wanted? A. Yes, whatever county she was in the member there had the say.

Q. If she was in Queen's-Shelbourne, the government party there put a man on and if she lost that man by the time she got to Yarmouth, the government party there put one on? A. Yes.

Q. And of course he was put on because he was supposed to be on the right side of politics? A. Yes.

Q. Of course with regard to officers and engineers and others, the places are sought after, are they not? A. Yes.

Q. There are plenty of people anxious to get them? A. Yes.

Q. Now, with regard to the ordinary cases, sailors, firemen and so on, are they also sought after? A. Yes.

Q. There is no trouble to get men? A. No, there is a list always in the office, that is prepared by the member or some of the committee, and if you want a fireman, a deckhand, a cook or a steward, there is a row of them.

Q. You have not been allowed for a long time to look out for a man because he is suitable? A. No.

Q. These dredges are some of them propelled by their own power? A. Yes.

Q. That is they dig the spoil up and dump it out without the services of a tug boat? A. Yes, we have four of those, but there is so much time lost in having the dredge do its own dumping that we now dump into scows and take it out.

Q. But four of the dredges are capable of propelling themselves? A. Yes, sir.

Q. Which four are those? A. The *Fielding*, the *St. Laurent*, the *Canada* and the *Restigouche*.

Q. Are those four dipper dredges? A. No, they are three elevators and a suction dredge.

Q. Which is the suction dredge? A. The *Restigouche*.

Q. Take these elevator dredges—are they simply dredges with an endless chain with buckets going down to the bottom and coming up again and up to the height of an elevation and upsetting the material from there? A. Yes.

Q. And when the material is upset it is allowed to drop into a scow? A. Into a chute, shoots down the side of a boat down into a scow.

Q. They are able to upset it so that it will be able to go down into their own—what do you call them, bunkers? A. Well, their own hopper.

Q. That is into the dredge itself? A. Yes, there is a hopper in the centre of the dredge that dumps into the bottom.

Q. And after this is full it is opened and the spoil is allowed to sink to the bottom? A. Yes.

Q. It is not done now? A. No, it is not done now in one of them.

Q. They have scows, several of them, I suppose? A. The *Fielding* has four, the *St. Laurent* three, the *Canada* two.

Q. And the scows are filled and tug boats take them out to sea where the spoil is to be thrown over? A. Yes, sir.

Q. Now, with a suction dredge, does she deposit her spoils in scows? A. She can do either, she has a big well, a hopper, three or four of them by the side, and she discharges sand into the hoppers until they are filled, and they go out and dump it.

Q. The suction dredge is merely used on soft material? A. Yes, she cannot do anything else.

Q. She is no good where there is clay or rock or anything of that sort? A. No.

Q. She can only be used on sand and stuff of that kind? A. The *Restigouche* won't do anything at all only on sand, but we have another suction called the *Northumberland,* she has what is called an agitator on the end of the pipes, and she will do anything but rock.

Q. She will do clay? A. Yes, clay.

Q. Where is she operating at present? A. She is operating in New Glasgow and Pictou, Nova Scotia, she has been operating for the last three years on this river.

Q. What is the material there? A. Hard and soft together.

Q. Both hard and soft together? A. Yes, oyster shells, clay and rock.

Q. As a matter of fact in these suction dredges where you use scows, there is water and spoil brought up together, and it runs off and drops into the scows? A. Yes, about twenty-five per cent sand and the rest water.

Q. What becomes of the water? A. It flows up over.

Q. And it drops down and forces the water up? A. Yes.

Q. And when you have the scow loaded you carry very little water. I suppose? A. Yes, very little, they overcome that by having a fence or bulkhead about three feet high over the top of the scow, and that will hold sufficient water to let the sand run down, and when it drains off perhaps about 18 or 20 inches, you will find the sand after you stop the dredge working. You will have a full hopper then, but you wouldn't have any other weight.

Q. In soft material you find these suction dredges, I should think, the best kind of dredges, don't you? A. Yes, that dredge, the *Northumberland,* is a very successful dredge in that way.

Q. Used for that purpose? A. Yes.

Q. Well, you said that you had more dredges, the *Northumberland* would make the fifth, wouldn't she? A. Yes.

Q. She is not capable of propelling herself at all? A. No, sir, she has to be towed.

Q. How many dredges outside of the four you speak of are there? A. Three on Prince Edward Island, the *Montague,* the *Prince Edward* and the *Pawnell.*

Q. How many others? A. The *George Mackenzie* and the *Cape Breton.*

Q. Where are they used? A. In Nova Scotia.

Q. For the south shore? A. Well, all around.

Q. And Cape Breton? A. Yes, all around.

Q. Yes? A. And No. 4 on the Magdalenes.

Q. Is she used there all the time? A. She went down there last summer and she is going to remain there so far as I know.

Q. Are there any others? A. That is all.

Q. How many would that make altogether? A. I think it is either 12 or 13.

Q. Do any of these dredges do night work as well as day work, I mean have they got night shifts? A. The *Northumberland* is the only one.

Q. Now, with regard to those dredges, all of them having their spoils carried back and forth by tug boats, is there any need of a master for each of them? A. On each of what?

Q. On each dredge? A. Oh, yes, it wants a master.

Q. It requires a master engineer, I know, but does it require a captain for each dredge besides the engineer? A. Well, the engineer fills the two positions, he is both captain and engineer.

Q. When he fills the two it is all right, but is there any real need of the two? A. Well, not on spoon dipper dredges that do not propel themselves.

Q. But taking those that propel themselves, what use would they be except when they are going from one place to another? A. Well, of course, they have the operating of the dredges. There is a certain amount of leverage work on the deck, for hoisting and lowering and getting her into position to operate, and the captain operates the levers and in these elevator dredges the dipper bucket.

Q. The captain does that? A. Yes.

Q. Now, Mr. McMurray, would you tell me how many of these vessels in your opinion really need a captain? A. All the propeller dredges.

Q. That is the four you named? A. Yes, the four propeller dredges.

Q. Because, although he is called a captain he is really helping to operate the machines? A. Yes.

Q. And in the case of those boats requiring to go from one place to another, he can also navigate? A. Yes.

Q. Whereas in the other cases if the dredges are moved the navigation is done by the tow boat which is moving the dredge as well as the other? A. Yes.

Q. The *Canada*, is she a self propelling dredge? A. Yes, she is one of them. She is the oldest boat in the service.

Q. Dipper dredges do not need a sailing master? A. No, sir.

Q. Speaking generally, from your knowledge of these things, are not a good many of these boats overmanned at the present time, that is I mean for some time have there not been more persons employed upon them than there is any absolute need of? A. Well, I suppose there are, you could spare a man in some cases. There is the *Canada*, I think when she is not working overtime you do not need two engineers on that small boat, they have two engineers, a chief and a second.

Q. Do the tug boats boats that move these dredges belong in many cases to the government also? A. The government only owns five tug boats.

Q. For instance, I see the tug *Canso*? A. She is a government boat.

Q. The *Canso* is a government boat? A. Yes, sir.

Q. And the *South Gelena*? A. She is another government boat.

Q. And the *Hercules*? A. Yes.

Q. And the *Lisgar*? A. Yes, well that makes six that we own. And the *Rona*, at the Magdalen islands, she is a small boat.

Q. Well now, take these tug boats for instance, take the *Canso*, does she need two engineers? A. Well, she does in a great many cases. She is an outside sea going boat, coming from St. John as she has this spring, and going to Campbellton, she would require a second engineer.

Q. They make a run from one place to another? A. Yes.

Q. And on such a run she would need a second engineer? A. Yes.

Q. But if they are lying in a place taking scows in and out would she require a second engineer? A. No, not necessarily.

Q. It would be easy enough in making a run from one place to another to get a second engineer wouldn't it? A. As a general rule it would, but sometimes not.

Q. But as a rule it would. Is it necessary to keep a second engineer all the season, just for a few runs from port to port which a tug has to make? A. No, I don't think it is.

Q. Now, take the *Canso* again, she had three firemen at a time. Is that necessary? A. No, sir, not when she is working ten hours a day. Two are enough.

Q. And she had three deck hands? A. Two deck hands ought to be sufficient.

Q. What is a scow man called? A. He goes on the scow to attend to the scow.

Q. He goes in the scow? A. Yes.

Q. If she had two deck hands would you allow a scow man then besides? A. Yes. you would have to have a scow man.

Q. You would need a scow man and two deck hands? A. Yes, sir.

Q. Now I find that that tug had two cooks? A. Yes, that is a cook and an assistant, a cookee.

Q. He is just as helper? A. Yes.

Q. Would a cookee be necessary? A. I will tell you the reason why they require this, they serve two tables. The crew is down forward and the officers are aft and they have to carry the food from the aft cabin to the forward cabin, and it is only a boy, a man.

Q. There is no need of having a scow man on the dredge and a scow man on the tug boat, they are really part of the dredge crew aren't they? A. They are in some ways, but in a long tow like that, they changed that last summer at Campbellton. It is a ten or twelve mile tow and they are towing at dinner time and at six or seven o'clock at night. Now at dinner time the men cannot be at the dredge to get their meals, and that is the way they arranged it. This man off the tug boat can eat on the steamer and the same way coming back in the evening.

Q. Under a proper system the question of how many men a tug or a dredge should have should be settled by the superintendent should it not? A. Yes.

Q. He would notice it? Of each scow and dredge and should settle it on the spot? A. Yes, sir.

Q. Who decides in practice the number of men who are required on one of these dredges or boats? Is it the superintendent who is responsible? A. It is between the superintendent and the captain.

Q. The captain may come up and say to the superintendent "I want another man,' but he has to say it to the superintendent? A. Yes.

Q. So it is the superintendent who says you can or you cannot have it? A. Yes.

Q. And if one was wanted you have told us how he would be got? A. Yes.

Q. So it is the superintendent woh asks to cut down the crews if they need cutting down? A. Yes.

Q. Now is there any other inspector of machinery besides yourself? A. No, sir.

Q. I saw an inspector J. N. Macdonald referred to. What is he? A. He is inspector of dredges on the Island so far as the work goes, to see that they are kept at work and the like of that.

Q. To see that they are kept at work? A. Yes.

Q. Well but in order, in the first place, in charge of the dredges there is the commander, the captain? A. Yes.

Q. And when he gets into a place to dredge she is under the district engineer isn't she? A. Yes.

Q. Now what has the inspector to do with seeing that she is kept working? A. It wants a man to go around to visit them from time to time to see how they are getting on, and prepare the work they are doing because they are very slack over there.

Q. Is there any similar inspector to Mr. Macdonald in Nova Scotia? A. In what?

Q. Any inspector in Nova Scotia who does the same work that Mr. Macdonald does on the Island? A. No.

Q. Or in New Brunswick? A. No.

Q. This appointment has been made only a short time ago I understand? A. About a month ago.

Q. But there is no dredging going on there now? A. No, sir.

Q. Was there any call for him over there? A. Nothing more than I spoke about.

Q. No more need of him, say than there is Nova Scotia or New Brunswick? A. Noa.

Q. Do you know if there is need of such an inspection taking place in Nova Scotia and New Brunswick? A. No, not an inspector, I fill that position.

Q. You fill that position? A. Yes.

Q. Cannot you fill it on the island as well as there? A. I have been and I still go to the Island as mechanical superintendent that is my ground.

Q. When you were there as mechanical superintendent did you inquire into the works that they had been doing? A. Yes, well not as to the work, that is not in my line at all in the dredging.

Q. Who does that in Nova Scotia and in New Brunswick? A. The superintendents, they are supposed to do that.

Q. The superintendents are supposed to do that? A. Yes, excuse me they can easily tell that by the weekly reports that come in every Saturday night, and if they look up to see what they are doing, and there is a clause in the report with regard to detention and the reason for detention.

Q. They can be done by the superintendents? A. Precisely.

Q. You are going around from dredge to dredge and from place to place inspecting their machinery? A. Yes.

Q. Couldn't you do such inspection as may be needed on the spot, inspection of the crews, inspection whether they were keeping things done generally on the vessel? A. Yes, well I do that.

Q. But the investigation of the work they have been doing, I mean taking these reports and saying to the people "Why is this this way, I find you have not done as good work as you should have, why don't you do better work"? Couldn't you do all that at the same time? A. I suppose I could if I had to do it.

Q. Would it be loading one man down too much, or is there any need of two or three people tumbling over each others feet in directing the same dredge? A. No, but the superintendents should look up the weekly reports at the end of each week and notify them and ask for an explanation if the dredge was not up to the week before.

Q. How many are there in the office staff of the superintendent at St. John not counting you? A. Three.

Q. Three clerks? A. Yes, one clerk and two lady typewriters.

Q. Constantly in the office? A. Yes, constantly in the office.

Q. Don't you think one superintendent for the maritime provinces would be enough? A. I would think so.

Q. And one head office? A. Yes, and one head office.

Q. And that one superintendent with one head office with a staff of three in the office is enough to do all the office work? A. Yes, I would say so.

Q. Then having a superintendent and that staff that you speak of and those reports coming in weekly, couldn't one inspector do all the inquiry and inspection that would have to be done on the work itself? In other words couldn't you do it? A. Oh I could, yes.

Q. Reports come in for instance, at the end of every week? A. Yes.

Q. And if the superintendent is dissatisfied with the reports he causes a letter to be written asking what is the trouble, and in some cases when the answer to his letter comes back he won't feel satisfied, couldn't he then easily write to you treating you as a deputy superintendent, saying that so and so has written and I am not satisfied with what he says, and I want you to go and see what is the matter. Couldn't you do that? A. Yes, when I am called around, yes.

Q. You would be not only an inspector but also a deputy superintendent? A. Yes, I could do that.

Q. Could you alone, without any further assistance, do the whole of that for the dredges in the maritime provinces? A. I could yes, sir, I tell you why, in the sum-

mer time, or rather I will put it the other way, in the winter time there is no dredging, it is only repairs to be looked after, and in the summer time there are no repairs, and of course I would go outside of the repairs in the summer time and I could do it.

Q. Then, of course, there are the district engineers who are in the place where dredging is going on who are supposed to be keeping a lookout over the work? A. Yes.

Q. They are really helping you, because they will growl, I suppose, if the work is not done? A. Yes.

Q. Now, in looking over the reorganization we do not want to save a penny and lose a pound. Mr. Dufresne, when he gets his organization by and by does not want to be penny wise and pound foolish? A. No, sir. Of course, whether one superintendent is able to do the work or not is dependent on the kind of work the inspector is expected to do and what authority he has to exercise.

Q. A great deal of time is lost by these dredges lying in the harbour is there not? A. Yes.

Q. From various causes of course? A. Yes.

Q. Which may or may not be correct? A. Yes.

Q. Don't you think more attention ought to be paid to planning out early in the season the kind of work each dredge is expected to do, and arranging that she shall be out in exposed work in the smoother piece of the year, and shall be doing work, in general work in sheltered places, when the weather is likely to prove bad? A. Yes, that is a very important thing.

Q. Now, for instance, you take harbour work on the Cape Breton coast or the south Atlantic coast of Nova Scotia, you have a good many barred harbours there? A. Yes, all of them.

Q. And work on those harbours in rough weather is out of the question? A Yes.

Q. That work should not be done or attempted to be done in spring or fall? A. No, in summer, July or August.

Q. Those are the only months when that work should be attempted? A. Yes.

Q. And of course there are semi-sheltered places on which work could be done in the spring and autumn? A. Yes.

Q. That is if a proper arrangement were made? A. Yes.

Q. Now is there anything with reference to dredging down there that I have not asked you about that you would volunteer any news about? A. I cannot think of anything now. Well, you see there are three or four district engineers down there, and if they would send in reports to the superintendent and let the superintendent use his judgment in placing those dredges, it would be of great advantage. There is one in Cape Breton, one in Halifax and another in Antigonish, one in Sydney and another on Prince Edward Island.

Q. Do you mean that the superintendent should place the dredges? A. Well, if he knew where all the surveys were made and taking the location of the different places he could judge better.

Q. That is as to where he should place his dredges during the season? A. Yes.

Q. To the least waste of time and the accomplishment of the most work? A. Yes, of course Graham doesn't know anything about the coast, nor Scovil doesn't either so far as that goes.

Q. But you mean to say that if there was a thoroughly competent superintendent over the maritime provinces he ought to be able to make a plan for the season's operations in consultation with the head office here? A. Yes.

Q. The district engineer, it seems to me, ought to have nothing to do with the dredges? A. No, they have nothing to do with them, they don't want anything to do with them.

Q. The district engineer has arranged that a certain place shall be dredged and the superintendent of dredges sends a dredge there to do the work, and so far as the movement of the dredges are concerned I do not see why the district engineers have anything to do with it.

Witness retired.

Examination of THOMAS H. SCHWITZER.

By the Chairman:

Q. You are Canadian born, Mr. Schwitzer? A. Yes, I was born in Ottawa.

Q. What are you doing at present? A. I am general superintendent at the Printing Bureau.

Q. How long have you been there? A. I went there a year ago.

Q. Where were you occupied before that? A. In Washington most of the time. I was with a contractor doing work for the Navy Department.

Q. What are you by profession, Mr. Schwitzer? A. I am a mechanical engineer.

Q. Are you a graduate of any college? A. Yes, of McGill University.

Q. How long is it since you graduated? A. I graduated in 1901.

Q. So you have had ten years of actual work? A. Yes.

Q. Most of that in the United States? A. No, I was there only about three years.

Q. What has your experience been in the main? A. In detail do you want?

Q. Not too full details, but generally speaking? A. Well, I have spent about a year and a half at a machine shop here, at the Canada Atlantic shops, when I was going to college, and between my third and fourth year I was on board an Atlantic liner in the engine-room, and after I left college I went to the Canadian Pacific Railway shops at Montreal, and was in the shops awhile and in the draughting room after that. Then I left there and went to the Harbour Commissioners at Montreal as assistant superintendent and was there three years and had charge of the night work.

By Mr. Lake:

Q. What class of work? A. Dredging. And then I left there and went to McGill College with Professor Durley and was there fifteen months as lecturer and demonstrator with Professor Durley.

Q. Lecturer and demonstrator in mechanical engineering? A. Yes, sir, and I left there and went to the Northern Electric Company at the corner of Guy and Notre Dame streets, and moved all their machinery fro the old factory to the new one, Dame streets, and moved all their machinery from the old factory to the new one, is a factory employing about 2,000 men. I left that and went to the States for Mr. A. W. obinson to bRuild a dredge for the Egyptian government, and also a tow boat. I was about a year and a half on that work.

By the Chairman:

Q. What had you to do with that, what particular work? A. The design and construction both.

Q. Both the design and construction of this dredge and tow boat? A. Yes.

Q. Were you in charge of the design? A. Yes.

Q. And construction? A. I was inspector on the construction work. I had to approve of everything. Then I left that and went to these New York contractors on work for the Navy Department, mostly in Washington. Then I travelled pretty well up the east coast, I was reporting on consolidation of the power plant for the Navy Department, and then I left that and came to the Printing Bureau last February.

Q. How old are you? A. 33.

Q. Are you married? A. Yes, sir.

Q. Have you any family? A. One.

Q. We are not asking these questions out of idle curiosity, particularly, but Mr. Dufresne has spoken of you most favourably and we thought perhaps, if he knew you personally, we might promote you to some appointment in the dredging department for which position I understand you are an applicant. I thought if we were so inclined after hearing you we might possibly be able to say something to the minister in whose power these things rest. In reference to dredging now, your experience with practical dredging was confined to Montreal, I understand? A. I was three years there, that is on the dredging end.

Q. In that dredging work what did you have to do? A. I practically looked after all the dredges, the placing of them and placing of all the material.

Q. Had you anything to do with their machinery? A. Yes, I had to keep them all in repair.

Q. So you are familiar with dredges? A. Yes.

Q. And the machinery? A. Yes.

Q. That is actual practical experience as well as theoretical knowledge? A. Yes.

Q. Then you had, as you say, the construction of that dredge in the United States? A. Yes, that was built at Richmond.

Q. That was the draughtmanship of it? A. I had draughtsmen under me, and they did the designing, and I had to approve of all the drawings.

Q. Besides that did you have to oversee the actual making of the machines? A. Yes, every part had to be approved by me.

Q. So you were inspecting the machine also? A. Yes.

Q. You did no actual dredging in the United States, I understand? A. No, sir.

Q. Nowhere except in Montreal? A. Exactly.

Q. But the mere dredging is more machine work, it is the looking out for the machinery of dredges that is the important part? A. Yes. I have had good experience too, I think in system. While at the Northern Electric Company, they completely reorganized their whole plant, and they had an expert on there from the United States to reorganize the whole plant, and I always make it a point to get acquainted with these experts to get all the information I can. I got very closely connected with him and got all the experience I could as to reorganization and so on of a large plant.

Q. What is your salary at the Printing Bureau at the present time? A. $2,400 a year.

Q. How long have you been there? A. A year ago last February.

Q. What does mechanical superintendent of the Printing Bureau imply? A. Looking after all the machinery, motors, &c.

Q. Presses? A. Generally.

Q. Generally in charge of the machinery? A. Yes, in charge of the machinery, the electric motors, &c.

Q. You have a number of assistants under you, I suppose? A. No, a number of sub-foremen. I have installed a machine shop of our own there and we are doing all our own repairs there which we used to send to outside people.

Q. And you superintend the operating as well as the repairs? A. No, I have nothing to do with the actual operation of printing, but I must see the machines are capable of doing good work.

Q. And if a complaint is made about any machine you have to see that it is fixed up all right? A. Yes, the motors and machines.

Witness retired.

Mr. DUFRESNE (recalled):

By the Chairman:

Q. Mr. Dufresne you have been examined before? A. Yes.

Q. Now, in the first place dredging for the Government is divided into two parts, namely, contract and departmental dredging? A. Yes.

Q. Now, the contract dredging is done under district engineers? A. Yes, sir.

Q. And reports come in showing progress of amounts due to contracts, &c? A. Yes

Q. At present these reports come to Mr. Walters? A. Yes.

Q. He has now a desk in the office of the assistant superintendent of dredging? A. Yes, sir.

Q. Under your reorganization he ought probably to be in your office? A. It would be preferable, yes.

Q. He should be quite close to you because he is supposed to report to you as those progress reports come in? A. Yes, the intention was to have him close to me, but in the present congestion of the offices it was impossible.

Q. The assistant superintendent of dredges has nothing to do with him? A. Nothing at present.

Q. And could not have under the re-organization because the superintendent or assistant superintendent of dredging have really nothing to do with departmental dredging? A. That is the idea.

Q. With departmental dredging and re-organization, beginning at the top the present superintendent of dredging is sick? A. Yes.

Q. And has been for a considerable time? A. He has been sick since last December.

Q. He is an old man? A. He is an old man, yes, he is about 75 years of age, I believe.

Q. Well, then you need a new superintendent of dredging, don't you? A. Well——

Q. At any rate the public service needs a new superintendent of dredging or departmental dredging? A. Yes.

Q. He has nothing to do with the contract dredging? A. No, but let me explain. He is known as the general superintendent of dredging.

Q. I am not talking about what he is known as. It is a misnomer at the present time, because he has nothing to do with it? A. Some two years ago Mr. Howden, who is assistant, made up estimates, and it is only since I have been here, a year and a half, that I have gradually taken all this contract dredging away from them, leaving them in charge only of departmental dredges.

Q. Under such an organization, you would have a general superintendent who would have nothing to do with contract dredging? A. That is my idea.

Q. Now, if you had a general superintendent would you need an assistant superintendent here? A. Yes.

Q. What about the present man in your new organization, would you have a new man in his place? A. Well, of course I do not care to say——

Q. I regret that we must put thest questions to you? Of course the information is confidential? A. Yes, you get the man up here and there is proof of anything I say.

Q. Then we will leave the details and minor organization to wait. For a superintendent what kind of a man do you desire to get? A. To my mind a proper superintendent of dredges should have technical education and considerable abiltity and should have practical experience in machinery. A good mechanical knowledge of machinery in particular. He should know the plants, the dredging plants.

Q. Besides the assistant superintendent there is in the office here a draughtsman, is there not? A. Yes, in the proper organization of the headquarters to look after departmental dredges, such a man as I spoke about qualified for the position of general superintendent should have executive ability which would imply a re-organization of the present office carrying with it a proper system of draughting, dredging, designing, look after the accounting, the returns, the pay-lists and so forth as they come in. A chief draughtsman should be appointed and as we build considerable new dredging plant a chief draughtsman should have considerable knowledge of the designing of plant.

Q. Speaking of the draughting, the actual draughting, is it necessary, in your opinion, in a re-organization to have a draughting office attached to the dredging office here, separate and apart from the draughting that goes on in the Public Works Department? A. Entirely so, it should be under the immediate charge of the superintendent of dredging.

Q. Do you not think it would be more economical and quite as easy to combine it with the draughting office of the department generally? A. No, because it is draughting of an entirely different nature. It is mechanical draughting.

Q. And requires a knowledge of mechanical engineering on the part of the draughtsman? A. Exactly.

Q. Then outside the office, under the present organization, you have whom that would be answerable to the superintendents, or what? A. The local superintendents on dredges throughout the Dominion should be under the direct charge of the superintendent general of dredges.

Q. In the previous evidence that you gave here you enumerated the local superintendents? A. Yes.

By Mr. Lake:

Q. How many do you think there should be, in your estimation? A. Possibly three. I would suggest that as under the present arrangement. We have one in British Columbia, we should have an additional superintendent for the three western and middle western provinces and one for the maritime provinces, and I would think that Ontario and Quebec dredging could be looked after direct from headquarters.

By the Chairman:

Q. By inspectors? A. Yes, or by the general superintendents.

Q. The general superintendents would hardly be able to look directly after the dredges? A. My idea is in saying that we would require an assistant superintendent of dredging was to give the general superintendent or the assistant superintendent an opportunity of going around and seeing their men.

Q. Then the assistant superintendent really might be superintendent for Ontario and Quebec as well as assistant superintendent? A. Yes, and the local superintendent and in this case the assistant superintendent at headquarters can have their travelling inspectors reporting direct to them or go around themselves.

By Mr. Lake:

Q. Are you including in Ontario the Fort William and Port Arthur and Rainy river? A. That is contract dredging.

Q. Yes, but I thought that is the kind of work you would like to have undertaken by government dredges, that is that the nature of the work at those places would better be done by the government dredges? A. I do not think I made that statement.

By the Chairman:

Q. Well, in any case that is a detail and very likely your Manitoba superintendents would take it in if it were done by government dredges? A. Yes, the district

engineer in Manitoba includes the northwest angle of Ontario in his district, which comprises the Lake of the Woods and Rainy river.

Q. Well, in the maritime provinces you would have one superintendent? A. One local superintendent, yes.

Q. With his head office centrally at St. John, New Brunswick? A. Yes.

Q. And with some local inspector or inspectors under him? A. Yes.

Q. Now did I understand you a moment ago to say that the Department of Public Works has established a shipyard on Victoria island? A. Yes.

Q. What do you call it, do you call it a shipyard? A. Yes, we call it a shipyard headquarters for the department plant operating on the Ottawa and St. Lawrence rivers, and as much as possible we attempt to lay our plant up here at Ottawa where we have it under our close observation, and in the plant most of the work and repairs of fairly heavy nature has been given out to the machine shops here, and it was thought we could make a considerable saving on those repairs by gradually establishing, going on a small scale for the start, but gradually establishing a machine shop with a few tools in the shop to do these repairs ourselves. The most costly part of repairs and plant, especially a dredging plant is machine shop work, that is work that time is put on. It is a simple matter very often to get a price per pound on castings or on ordinary steel work, but going into the question of repairs on which the time of skilled labour is the principal item it is very difficult to get a price.

Q. Under whose charge is that shipyard at present? A. That shipyard is under the direct charge of the department here, and for some years the assistant general superintendent of dredges has looked after that.

Q. Then it is really a part of the dredging plant? A. Yes, absolutely a part of the dredging plant.

Q. Has it been under your observation? A. Yes, continually since I have been here.

Q. Well, is there a considerable staff employed there? A. We employ sometimes as many as 50 men, but at the present time we have four dredges laid up there and we are doing the spring outfitting and repairs to those dredges and we are also building a new three and a half yard dipper dredge.

Q. There? A. Yes, it is being constructed there.

Q. Then it would be in the highest degree important that the superintendent of dredging in charge of a plant like that should be a mechanical engineer? A. Exactly.

Q. That would be one of the most important things? A. Exactly.

By Mr. Lake:

Q. I want to get some idea of the amount of coal that is used in dredging operations? A. The amount of coal?

Q. Yes, could you make us an exact statement of the coal supplied for the various dredges? A. Yes, I will make that statement.

The witness retired.

The Commission then adjourned

OTTAWA, Wednesday, March 13, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of EBEN P. GODWIN, assistant superintendent of dredging. 4

Examined by the Chairman:

Q. When did you first enter the government service Mr. Godwin? A. In 1880.
Q. In what capacity? A. In the same branch, the engineering branch.
Q. The engineering branch of Public Works? A. Yes.

By Mr. Lake:

Q. Stationed at headquarters? A. Yes, sir.

By the Chairman:

Q. How old are you now Mr. Godwin? A. 58 years of age.
Q. So you were 26 when you entered the service? A. Yes, sir.
Q. What was your trade or profession? A. Ship builder and bridge builder.
Q. Are you an engineer by training? A. No, sir.
Q. You had just been engaged at practical work? A. Yes, sir.
Q. And what work did you start at in the Public Works Department? A. In each of the branches of it, sir, both in the accountants and the engineering, but the engineering principally.
Q. What were you doing in the engineering branch? A. Just in the dredging branch.
Q. But what class of work? A. Mechanical branch like, with the work both inside and outside.
Q. Just to see that the work was done, a sort of overseer? A. Yes, sir.
Q. Would you be confined entirely to Ottawa or would you be travelling? A. Oh, I was travelling, sir.
Q. You were travelling? A. Yes, considerably.
Q. Well, then from that time on your connection was with the dredging branch? A. Yes, sir.
Q. The amount of dredging done must have been very small in those days? A. Yes, very.
Q. You were what they call a temporary employee? A. At first, yes, sir.
Q. You did not get on the permanent list until the Act which came in force in 1908, is that right? A. Yes, sir.
Q. At the time the new Act came into force in 1908 what were your wages or salary at that time? A. At the time it came in?
Q. Yes, about three or four years ago? A. $2,000 I think, but I wouldn't be quite sure.
Q. What is your salary now? A. $2,750.
Q. What class were you put in then under the new Act, what is your class? A. Well, I wouldn't like to say, but it is class B I think. I don't pay very much attention to that.
Q. I see on looking at the list that you are in Division B-1? A. Yes.
Q. You took that position from the time you went on in 1908, permanently? A. Yes, sir.
Q. And of course you have had the annual increase since that time, but your class or division has not been changed since that time? A. No, sir.

Q. Are you entitled to a pension under either of the Pension Acts? A. That is another thing that I can't say Mr. Morine.

Q. Have you ever been contributing to a pension fund? A. There is a deduction I think, made from my salary.

Q. Under the Retirement Act I suppose? A. Yes, but no superannuation I think.

Q. You do not come under the old Superannuation Act because you were not a permanent employee at that time? A. No, sir.

Q. But you have been contributing since 1908 under the Retirement Act? A. Yes.

Q. Now, Mr. Howden is the superintendent of dredging? A. Yes.

Q. He joined the service after you did apparently? A. Yes, this branch of it. He was in Sorel before.

Q. He was in Sorel before he went to Ottawa? A. Yes, sir.

Q. When did he come up here, about—you needn't be particular about the exact date? A. I think it was in 1891 or 1892, somewhere along there.

Q. About 1891 or 1892? A. Yes, I think so.

Q. Did you notice that he joined the government service in 1889 as temporary clerk? A. Yes, sir, I think that was in Sorel he was stationed then.

Q. And about 1891 he came up here to Ottawa? A. Yes.

Q. Did he take the position of superintendent of dredging when he came up? A. Not just at first, I don't think. I think it was some time afterwards when he was made general superintendent.

Q. Who was his predecessor? A. Previous to that, Mr. Morine, Mr. Arnoldi was just the mechanical engineer and the dredging was then combined with the mechanical part of the public building.

Q. With the mechanical part of the public buildings? A. Yes.

Q. There is no such officer now as chief mechanical engineer, is there? A. No, sir.

Q. What corresponds with that office now, who does the duties of that office? A. It comes directly under the chief architect now.

Q. Under the chief architect of the department? A. Yes, sir.

Q. And when the division took place, Mr. Howden was brought into the dredging? A. Yes, he was made the general superintendent and I was made his assistant.

Q. That was at that time? A. Yes.

Q. At the same time? A. Well, shortly afterwards.

By Mr. Lake:

Q. How many years ago was that when you were made assistant superintendent of dredging? A. I would have to look that up to make sure.

By the Chairman:

Q. Cast back into your mind about what time, the exact time is not important? A. I should judge it was about ten years ago.

Q. About ten years ago? A. Yes, sir.

Q. Now, Mr. Howden is over 70 years of age, I notice? A. Yes.

Q. And he is at present absent in the hospital? A. Yes, he has been in the hospital. He is improving now.

Q. How long has been been in the hospital at the present time, Mr. Godwin? A. Since just before Christmas.

Q. Prior to that had he been steadily at work? A. Oh, yes, pretty steady.

Q. Had he been at the hospital before that? A. On several occasions, yes.

Q. What is the trouble with him? A. Previous to this time it was pneumonia that he suffered from, he took it here in Ottawa, and I took him to the hospital, but it seems to be different this time. I haven't had a chance of going down to see him.

Q. Is he a married man? A. No, sir.

Q. You are a married man? A. Yes, sir.

Q. Have you a family? A. Yes, sir.

Q. Is your family living with you at home? A. Yes, sir.

Q. How large a family have you? A. We have 11 living now, but we had 13. Yes, we have 11 living at present and they are all at home.

Q. Now, in the dredging department, although you are called assistant superintendent of dredging, your department has really, that is your office has really nothing to do with contract dredging? A. No, sir, not to direct it. Of course, the estimates go through our office to keep account, so that an account can be kept of the expenditures.

Q. Do you mean to say that Mr. Walters keeps the accounts of the expenditures in connection with the contract dredging? A. Yes, sir.

Q. But except for Mr. Walters, your office has nothing to do with the contract dredging? A. No, sir.

Q. So if Mr. Walters were moved into another office, such, for instance, as Mr. Dufresne's office, your office down below would have nothing to do with contract dredging? A. No, not if it was taken away.

Q. But if Mr. Walters went away? A. No.

Q. What I mean to say is this, your connection with the contract dredging is largely through the work that Mr. Walters does? A. Yes, he attends to contract dredging. He does other work as well you know, Mr. Morine.

Q. He does other work as well as look after the accounts of the contract dredging? A. Yes.

Q. What other work does he do? A. He supervises all the accounts, he looks over all the accounts regarding contract dredging.

Q. What do you mean by all the accounts? A. I mean there are a number of accounts coming in with connection with our own dredging, of course.

Q. You mean bills for supplies? A. Yes, supplies and things of that kind.

Q. And all the accounts? A. Yes, they come through Mr. Walters hands.

Q. You say they all come through Mr. Walters hands? A. Yes, to be checked.

Q. Don't they also go through another man that you have there? A. Yes, Mr. Cameron, he posts them.

Q. Mr Cameron posts them? A. Yes, and divides them up to the different dredges.

Q. Do they go first through Mr. Walters hands? A. Yes.

Q. What is Mr. Walters supposed to do with those accounts Mr. Godwin? A. To check them and see that they are right.

Q. That the calculations and extentions are right, &c.? A. Yes.

Q. And then are they paid on his order? A. Oh no, I certify them.

Q. When they are calculated, what is the next step? A. He initials them and they are sent back to me as correct.

Q. And you pay for them? A. I certify them if I see nothing wrong.

Q. And then they go where? A. From me they go to a clerk upstairs who represents the chief engineer and who signs for the chief engineer.

Q. A clerk upstairs who signs for the chief engineer? A. Yes.

Q. What has the chief engineer to do with it? A. The dredging branch is supposed to be—

Q. Under the assistant to the chief engineer? A. Yes, under the assistant chief engineer, but on the stamp that is used, are the words "for the Chief Engineer." This man signs for the chief engineer.

Q. Who is he? A. Mr. Chalifour.

Q. Mr. Chalifour signs for the chief engineer? A. Yes.

Q. Well, he is in the chief engineer's office on the staff? A. He is not in his office, but in a room above, but he is on the chief engineer's staff.

Q. He is not under the assistant chief engineer? A. No, sir, I don't think so, I think he comes directly under the chief enginer.

Q. Any way it goes to Mr. Chalifour? A. Yes.

Q. And then does he issue a cheque for the amount? A. No sir, he checks them that is all, and sends them to the accountant's branch.

Q. Are they paid there? A. Yes.

Q. What is the need or good of Mr. Chalifour checking them if they have passed through the hands of Mr. Walters, then Mr. Cameron and then yourself? A. Well very often questions arise, and possibly they may have more information in regard to certain of these accounts, or other information that I wouldn't have possibly, or that perhaps Mr. Walters wouldn't have.

Q. What kind of information do you mean? A. Well I can hardly say, any more than sometimes Chalifour has brought down accounts to me and called my attention to items in them that he thought were already paid, paid before for instance. But in looking them up we have never found that an account has been paid twice.

Q. But that only goes to show that two or three men are doing the same thing in that particular. If the accounts were kept properly in your department there would be no need of them going through two or three hands? A. It would make it more secure.

Q. I suppose you could keep on two dozen of men and in a sense it would make it more secure? A. I think if it passed through three hands it should be sufficiently secure.

Q. I think after that it should be reasonably secure—then it goes to the accountant's branch and he pays it I understand? A. Yes. Pardon me a moment, Mr. Morine, but may I add something there. We have just been correcting our proofs for the printers, and I have had two pretty good careful clerks correcting them, and even when they would come to me I would find some errors in them.

Q. I should have my own idea about the carefulness of the men who were doing the correcting. Now these accounts that come to Mr. Walters connected with the departmental dredges are sent from whom? Where do they come from to Mr. Walters? A. Both from the resident engineers and the captains of the different dredges.

Q. What would the resident engineers have to do with them? A. Well, they are in charge of the work when it is going on, don't you see.

Q. I am talking now about departmental dredges, you say they are in charge of the work when it is going on? A. Yes, sir, they lay it out and look after it, and see that it is properly done, and if the captain of the dredge requires any information he will apply to them very often.

Q. But what would they have to do with the accounts of the dredge? A. Well, suppose they had anything to purchase, suppose they had a breakdown or anything like that, they would receive from him a telegram, or a letter, they would either telegraph or write me at Ottawa, and I would send them directions to have this done direct, but in a great many cases the resident engineer gives them instructions what to do. He is kept more in touch with the work, and he should be consulted in the matter as to who should receive the work.

Q. What you mean to say is that they consult the resident engineer about the patronage? A. Yes, in a great many cases.

Q. But still has the resident engineer any official authority to interfere with the purchase of supplies? A. In some cases they do, but not in all.

Q. Do you ever give a resident engineer any authority? A. No, sir, I do not. If he gets authority he gets it from the chief engineer.

Q. That is if he does get authority? A. Yes sir, unless he appeals to me. If he writes directly to me I reply to him.

Q. About what, for instance, would he write directly to you, the resident engineer? A. Well, for instance, suppose they require an anchor, suppose they have smashed one of their anchors and they require one, and he says it may be purchased at such and such a place.

Q. The resident engineer? A. Yes, they have done so.

Q. But isn't that after all a mere butting in by the resident engineer? I am speaking now not of practical but official authority. What right has the resident engineer to communicate with you about the purchase of anything more than any Tom, Dick and Harry on the street? A. He would have, sir, on account of his official standing with the department, you see, and more than that very often, our dredge captains are illiterate men, and it is more for their assistance than anything else.

Q. But that is what I want to get at, whether it is official authority or merely butting-in. Now take the regular course of the proper certification. The regular course in the first place in the maritime provinces there is a superintendent of dredging isn't there? A. Yes, sir.

Q. That is for the maritime provinces? A. Yes.

Q. As a matter of fact there are two of them? A. Yes.

Q. And haven't they any control over the captains of the dredges? A. Oh, yes, I think they have. The captain wouldn't purchase without he got authority from them.

Q. You say you think they have, I am not holding you responsible for the system, but I want to know from you exactly what it is. In the maritime provinces do you ever receive bills and certify them to be paid that have not previously been certified by the superintendent in the maritime provinces? A. No, sir, and for this reason, I think, as probably you know, they have a letter of credit. For instance, Scovil would have a letter of credit and pays his own accounts.

Q. Exactly. Then the accounts for the maritime provinces never come to you? A. No, sir.

Q. That is they never come to you prior to being paid? A. No sir, exactly.

Q. And you have really no effective control over the accounts in the maritime provinces, have you? A. No, sir.

Q. You do not control the prices? A. No, sir.

Q. Nor the quantities? A. No, sir.

Q. Nor have you anything to do with them whatever really, excepting to certify them for payment? A. Not unless there is special reference. In cases they might be referred to me.

Q. In other words unless please to ask you to come in? A. Yes, sir.

Q. Do the accounts certified by Mr. Scovil come before Mr. Walters, and then you, and go on that regular course you have already described, or are they paid by the accountant's office on the certificate of Mr. Scovil alone? A. They are paid in the accountant's office.

Q. On Mr. Scovil's certificate? A. Yes.

Q. They do not come to you at all? A. Not until after they are paid, and then they come merely to be entered up.

Q. Merely to be entered up in the book by that other clerk, what is his name? A. Mr. Fhout.

Q. He keeps a sort of ledger in which he divides and classifies the expenditure? A. Yes.

Q. And these maritime province accounts only come back to your department for the purpose of bookkeeping? A. That is all, sir.

Q. Now to exalt that maritime province business—the crews of dredges in the maritime provinces are engaged under the local superintendents? A. Yes, with the sanction of the assistant chief engineer.

Q. And over that then you have no control at all, Mr. Godwin? A. No, sir,

Q. And you have no control over supplies in connection with the maritime provinces? A. No, sir.

Q. And you have no control over the payment of bills? A. No, sir.

Q. And no control whatever over the movement of the dredges? A. No, sir, Mr. Howden attended to that principally.

Q. Now with regard to that I have been speaking about your office really, what you say about having no control over the accounts, the crews and so forth, would apply to Mr. Howden as well as you? A. Yes, sir.

Q. For the movement of the dredges in the maritime provinces has your office anything to do with that whatever? A. Mr. Howden has.

Q. Did you say Mr. Howden has some control over the movement of the dredges? A. Yes.

Q. In what way? A. He is consulted about the movement and he advises.

Q. Now as assistant superintendent of dredging, in Mr. Howden's absence or in case of his sickness, you would have the same thing to do would you not? A. Yes, I would be asked and would consult Mr. Howden.

Q. That is if he were here? A. Yes, if he were here or if I could get at him to consult him.

Q. Now, take it at the present time, you are doing to-day all Mr. Howden would regularly do, are you not? A. Pretty much sir, yes.

Q. That is so far as the season of the year calls for? A. Yes, sir.

Q. Now, we will stick to the dredges in the maritime provinces. The places where they are to go has been arranged by the assistant chief engineer? A. Yes, sir.

Q. In consultation with the various resident engineers who have asked for them? A. Yes, sir.

Q. Then I suppose the local superintendents would receive their orders as to where they were to send the dredges? A. Yes, sir.

Q. They cannot get those orders from Mr. Howden? A. Yes, they would if he were here, yes, sir.

Q. But Mr. Howden would get his from the assistant chief engineer, would be not? A. Yes, sir.

Q. So Mr. Howden would really only be the pipe for the orders to run through, isn't that right? A. Well Mr. Howden is often taken into consultation as to the advisability—

Q. Of course we know he is consulted, but the man who says where they shall be put is the assistant chief engineer? A. Yes, sir.

By Mr. Lake:

Q. But does the assistant chief enginer act on Mr. Howden's advice in this matter? A. Oh yes, frequently.

Q. Who is the officer who takes the first step as to making the recommendation as to the different points where the dredges are to be placed—isn't that the line you are working on Mr. Chairman?

The CHAIRMAN.—Yes, that is the line, but you have made the assumption that there was a recommendation made. I think I will put the question this way: Will you tell us how the movements of the dredges are laid down—what is the method? A. Yes, well first the resident engineers are asked for a statement.

Q. Who asks them? A. The assistant chief engineer.

Q. I understand then that the resident engineers are asked in the fall of the year what places they want dredges for the next year? A. Yes, to make out the programme.

Q. And an estimate is made in the winter of how much money can be spared and so on? A. Yes, and Mr. Howden would be consulted.

Q. As to what? A. To the different places, Mr. Howden being on the spot, as he frequently is, would be more conversant with what dredges would be suitable for the different places.

Q. What do you mean by saying Mr. Howden being on the spot? A. He is frequently there.

Q. At the different places? A. Yes.

Q. You mean that he has travelled a great deal? A. Yes.

Q. When you say he is consulted do you mean he is consulted by the assistant chief engineer? A. Oh, yes.

Q. Well after this conversation takes place, or after the consultation, who decides what places the dredges shall go to? A. Between the assistant chief engineer, and the deputy minister.

Q. In any case so far as Mr. Howden is concerned, he is asked his advice, and the assistant chief engineer conveys to him what the decision is? A. Oh, yes, sir.

Q. That practice about deciding where the dredging should be done, and where the dredges will go, after consultation in that way, is the same with regard to all the dredging I suppose, not merely confined to the maritime provinces? A. No.

Q. Now, with regard to the maritime province dredging, I suppose the local superintendents would be more acquainted with the capacity of the various dredges and of their suitabilities for various harbours than any one here in Ottawa, wouldn't they? A. Outside of Mr. Howden, who has been through all these harbours and understands the locations and positions thoroughly.

Q. Now, Mr. Howden, you say, pretty frequently visits these places—does he go through the maritime provinces? A. Oh, yes, sir.

Q. What does he go to the maritime provinces for? A. To oversee the work, the oversee the dredging, and to become conversant with it so he may be in a position to judge of everything connected with it.

Q. How often would he go there in the course of a year, Mr. Godwin? A. Well during the summer he would possibly go six or eight times during the summer.

Q. To the different parts? A. Yes.

Q. Do you mean that he would go six or eight times to the maritime provinces? A. Yes.

Q. That would include New Brunswick, Prince Edward Island and Nova Scotia, I suppose? A. Yes.

Q. That might be one visit a year to one section of one of these provinces I suppose? A. I think during the summer he would visit pretty much all those places.

Q. Once? A. Yes.

Q. Wherever the dredges are placed on works going on, he would visit a place once in a season? A. Yes.

Q. And so far as the spotting out of the work to be done in the different places was concerned your department has nothing to do with that? A. No sir.

Q. The resident engineers do that? A. Yes.

Q. With regard to the machinery of those boats, that is simply an order by the local inspector I understand? A. We have to do that.

Q. Isn't there a local inspector? A. Yes, but they report to Ottawa.

Q. There is a local inspector going around the maritime provinces setting the machinery right if anything gets out of order? A. Yes.

Q. And then there are the local superintendents? A. Yes.

Q. That is Mr. Scovil and Mr. Graham? A. Yes, sir.

Q. Does Mr. Scovil travel away from St. John at all, around the different places where these dredges are working? A. Oh yes, I think he does, or he wouldn't keep informed.

Q. You are on oath you know and if you don't know the answer to any question just say that you don't know? A. Well—

Q. Then you don't know as a matter of fact—have you been to the maritime provinces yourself, Mr. Godwin? A. Once or twice.

Q. You have been there once or twice in the whole of this time? A. Yes.

Q. Then you do not personally inspect the dredging. A. No sir, not down there.

Q. Well the dredges in British Columbia are under whom? A. They would be under Mr. Kieffer.

Q. Who is he? A. One of the resident engineers there, and Mr. Bayfield.

Q. Who is he? A. The superintendent.

Q. Of what, dredging? A. Yes.

Q. A local superintendent? A. Yes, and resident engineer combined.

Q. And the western provinces are also under resident engineers, that is the prairie provinces? A. Yes.

Q. Ontario and Quebec, who do they come under? A. Well directly under the home office here.

Q. Under the home office? A. Yes.

Q. Have you inspectors? A. Yes.

Q. Here in Ottawa? A. Yes.

Q. Who are they? A. We have two mechanical men who are continually looking after these, one in the west and one in this part, who are looking after machinery.

Q. What are their names please? A. Patterson, who has his headquarters at Toronto, and the other is Peter McPlukie.

Q. Are these just hired men outside of the Civil Service? A. Oh, yes.

Q. Who do they act directly under? A. The assistant chief engineer's office

Q. They act directly under the assistant chief engineer's office? A. Yes.

Q. Don't they come under you? A. Yes, their accounts are certified by me.

Q. Do you direct them? A. When they come for instructions about various things I do.

Q. When they come to you you give them instructions? A. Yes.

Q. But the regular channel of communication of instructions is from the assistant chief engineer? A. Yes.

Q. They correspond with him and he with them, I understand? A. Yes.

Q. And it does not come down to your office? A. No, unless they are directed to come to me.

Q. Unless they are directed to come to you? A. Yes.

Q. And all the bills they incur from time to time come through Mr. Walters and to you? A. Yes, they come to me first.

Q. They come directly to you, and you give them to Mr. Walters, and he checks them? A. Yes.

Q. But they get their usual and steady instructions from the assistant chief engineer? A. Yes.

Q. And are responsible to him? A. Yes.

Q. Now these inspectors you have just named, do they confine themselves to inspecting the machinery and hulls of the vessels? A. Yes sir, and to see they are kept in working order, and to see if there is any likelihood of any breakdown.

Q. They are mechanical men? A. Yes.

Q. Have they anything to do with employing the crews? A. No, sir, not unless they get instructions.

Q. I am speaking of their regular duties? A. No. they have nothing to do with employing the crews as a part of their regular duties.

Q. Now what about the Quebec dredges? You have some down in the St. Lawrence havn't you? A. Yes sir, we have.

Q. And below the ship channel you have some below Quebec? A. Yes, sir.

Q. And how are they inspected? A. Just in the same way.

Q. You have nothing to do with that except incidentally I understand, Mr. Godwin? A. Yes, and if occasions should arise where it would be necessary for me to go.

Q. And such occasions do not arise very often I presume, Mr. Godwin? A. Not recently.

Q. And with regard to all the crews in Quebec and Ontario, take a particular dredge, how is her crew engaged, by whom is her crew engaged and put on her? A. By the home office here.

Q. That is by the assistant chief engineer? A. Yes, that is by orders from the minister.

Q. Of course, but I mean to say the captain for instance, is directly appointed by the assistant chief engineer and the department direct? A. Yes.

Q. And answers direct to them? A. Yes.

Q. The resident engineer has nothing to do with that I suppose? A. No sir.

Q. Well then the crew is employed for the dredge by the captain or in some way by the assistant chief engineer? A. No, the captain applies for his men here.

Q. The captain applies for his men here? A. Yes, and the members or whoever should want to make application for the position do it to the office here.

Q. Practically it falls into the hands of the assistant chief engineer again? A. Yes.

Q. He attends to that? A. Yes.

Q. And you exercise no control over the employment or dismissal of men? A. Oh yes, I recommend both the dismissal and appointment frequently.

Q. What do you mean now when you say you recommend it frequently, to whom do you recommend it, Mr. Godwin? A. To the assistant chief engineer.

Q. In other words he asks you what you think about various men that you have there? A. Yes.

Q. But he does the appointing himself? A. Yes.

Q. And in case of people you don't know anything about recommended by members you have nothing to with that at all? A. No.

Q. What you mean to say is really that from time the assistant chief engineer consults you about various men to see what you know about them? A. Yes.

Q. And officially you have nothing to do about the appointment or dismissal of men at all? A. No, sir.

Q. Then let us come right down to this Mr. Godwin, what have you to do officially, for which you are held personally responsible—what is it you do? A. Well, just what I have said, I supervise the accounts.

Q. You supervise the accounts? A. Yes, to see that they are in order and correspond with the authorities that have been given and also to see that the dredging reports are correct, because they all come to me.

Q. The dredging reports? A. Yes, the weekly reports that come in of the operations of the dredges.

Q. That is of the operations of the departmental dredges? A. Yes.

Q. With regard to that what do you do? A. If I see anything wrong they are immediately sent back to the captain to be corrected.

Q. What could be wrong about these departmental reports of dredging? A. In the first place he might not have them properly filled in, he might have left out the depth of water that he was making or the depth of the cut that he was making would not agree with the amount of water he was told to make, and there are various things in which there can be errors.

Q. Practically in that respect you are just checking the reports for the purpose of information in the department? A. To see they are correct, yes.

Q. Now understand, Mr. Godwin, I am not trying to find fault with you, and I am not trying to depreciate your work at all, but it strikes me that the effective

working has been taken away from you to a large extent and you really have been deprived of everything, except the mere shadow of control. You have no control over anything whatever, for it is either in the hands of the local superintendent or in the hands of the assistant chief engineer, or in the hands of some one else, and what we are engaged in here is to try and find some real substantial control that you have over something or other.

Mr. LAKE.—I want to find out what you are responsible for, Mr. Godwin.

The CHAIRMAN.—Yes and to see who in the name of heaven and earth manages this thing.

A. Well, Mr. Chairman, if I might be allowed to speak—you know even when it goes from me to the assistant chief engineer, it really goes further up to the deputy minister before any authority will be given to go on with anything like that, unless it is a very small local matter.

By Mr. Lake:

Q. When it becomes a matter of policy? A. Yes, it has to go to the head.

By the Chairman:

Q. What I see about this lack of system that has grown up, the trail of the serpent seems to be over it all. Really the question who is to be employed as master or crew of a dredge is a matter of political patronage? A. Yes, to a great extent.

Q. You say it is to a great extent? A. Yes, unless we strongly object on good grounds to having a man appointed, then it is rarely they will go against us.

Q. If a man who for some other reason or other was wholly objectionable, was proposed as an appointment, you might hang up the appointment? A. Yes.

Q. But in real actual practice the men that are put on are nominated somewhere by the political machine? A. Oh, yes.

Q. And when the question as to where the dredges shall go at the beginning of a season comes up, that question to a large extent is governed in the same way, that is it goes wherever the strongest representations are made to the department that a dredge is wanted? A. Yes.

Q. That is how it happens? A. Yes.

Q. And it is not always that sitting down and looking at the reports of resident engineers and to where the greatest need of a dredge exists—that is not what always decides where a dredge shall go? A. No, our programmes are frequently changed and practically always, because applications will come in for work that is of a great deal more importance than some places on the programme, and consequently one is left and the other is done.

Q. Now I see two or three things there. We will first take the management of dredges, where they come to be pulled from place to place and the places where they could be worked with the greatest economy of time and everything. With such objects in view, a private concern would leave the management of that entirely in the hands of one man so that all the dredges could be worked as a fleet, in and out together. In the department the question of where the dredges are to go depends a great deal upon a lot of other considerations? A. Yes, it depends of course upon the pressure that is brought to bear upon the minister as to the movements of the dredges.

Q. And just in the same way, if all these dredges belonged to one commercial concern, there would be one husband who would take charge of the employment and discharging of men? A. Yes.

Q. And in so doing he would be governed by their efficiency as proven by experience? A. Yes.

Q. Under the present system of governmental lack of control these things have comparatively little weight. I mean there is not one man sitting down to decide upon the fitness or unfitness of a certain man to be in charge, with regard merely to his

experience and the quality of his service? A. Well, sir, of course no one can do that for them all. There are so many.

Q. When I say one man I mean that he might have a staff, to assist him, but a large number of outside considerations other than efficiency come in to the employment of these government men, is that not so? A. Yes, sir.

Q. Compared with the efficiency which a private concern looking for dividends would show in the exercise of a similar power? A. Well I don't know what a private concern would do if they had so many dredges scattered over such a great locality.

Q. I will tell you what they would do, they would not have six men where four would do, they would not have crews over-manned—doesn't that often occur in government dredges? A. Seldom sir, it is seldom that we have that.

Q. I want you to be careful in answering that because we have heard it from a higher authority than you—are you familiar with the number of men on each of the dredges? A. Yes, sir, especially the dredges here in Ontario and Quebec.

Q. All right then—I understand you don't know much about the dredges in the maritime provinces? A. No, sir, not very much.

Q. Do you know of any dredges that have to be towed to their dumping ground, that they will have a master of their own, that is a captain of their own, where there is a captain both on the tug and on the dredge? A. Oh, yes.

Q. Is there any need of both? A. There must be a captain of the tug and a captain of the dredge.

Q. Why? A. The captain of the dredge would not know how to run the tug and the captain of the tug would not know how to run the dredge.

Q. What do you mean by not knowing how to run the dredge—do you mean while it is being towed back and forth? A. Do you mean just the towing?

Q. No, at any time? A. The captain of the dredge is the one who operates the dredge.

Q. He is an engineer? A. We call him the captain of the dredge.

Q. Don't you know of dredges in your department where the dredge, although she is towed, and the tow boat has a captain, that is able to look out for her, that the dredge besides the engineer has a captain? A. Not a captain outside of the runner, what we might call the dredge runner, that is the man who handles the dredge.

Q. Are you sure? A. He may have an assistant.

Q. You mean to say, only talking about Ontario and Quebec? A. Yes, sir.

Q. I am talking of the maritime provinces? A. I am not conversant with the crews there, without seeing their pay-list from time to time.

Q. Even in Ontario and Quebec have you personally devoted much attention to the question as to whether these dredges had too many men or not? A. Yes, sir, especially in Quebec. I don't know that it ever occurred in Ontario, but in Quebec it was thought there were too many men on one or two of the dredges, and they were taken off, but they found afterwards that the dredge was not so efficiently handled, and I believe in some cases they had to be put on again.

Q. Is there any book kept in your department which would show how much supplies of various kinds were given in the course of a season to each dredge? A. Not outside of our yard, what is shipped from here. We ship supplies from here very often.

Q. And you charge those against the dredges? A. Yes, the only book kept is our ledger.

Q. Give me the name of some good dredge in Ontario? A. The *International.*

Q. Well now, take the *International,* if I go to your department to-day and ask you how much coal, how much oil, how much waste, and so on, of all different kinds of supplies that vessel has had during the past year can you tell me at once by reference to your books? A. We would have to take it from the ledger.

Q. You would have to make up an account? A. Yes.

Q. You haven't a book containing a tabulated statement? A. No, sir, not for each dredge.

By Mr. Ducharme:

Q. In your ledger would it be put all in one account? A. Yes, sir, but charged to the different dredges.

Q. But in a lump? A. Yes.

By the Chairman:

Q. You have in the *International* ledger account everything paid out for her during the year haven't you? A. No, sir, the personal account, I believe there is a personal ledger showing the amounts, and then these amounts show themselves what it was supplied to.

Q. Then haven't you a ledger account against the dredge *International* against which all charges for the year are put? A. That is the book that Mr. Cameron has.

Q. Precisely, then besides that you have the book which has been classifying the charges to the various dredges? A. Yes.

Q. Kept by whom? A. By Mr. Cameron.

Q. You couldn't tell me from any books that are in there without making up the account, how much of the various kinds of supplies have been given during the year to each one of the dredges? A. No, sir, it would have to be taken from Mr. Cameron's book.

Q. You have not at the present time any tabulated account showing that, in other words a cost account? A. No, sir.

Q. You couldn't tell me without going laboriously through the ledgers how much coal was used one year compared with another year? A. No, sir.

Q. You could not tell me how much coal was used in comparison with the number of yards of dredging she did, during a day, except by going to work and making up that account? A. No, sir.

Q. You could not give me any idea with regard to lubricating oil, for instance, whether she had twice as much this year as last year? A. Not without making it up.

Q. Now with regard, for instance, to these supplies, when they are wanted, we will take in Ontario and Quebec, the engineer will make a requisition, I suppose, for coal and oil or anything of that sort that he wanted? A. Yes.

Q. And where would that requisition go to? A. To Ottawa.

Q. You mean for the provinces of Ontario and Quebec? A. Yes.

Q. And who would authorize it? A. I would, or I would tell him where to get it, if it was a small thing.

Q. If it was a small thing you would write back to him at once and tell him where to get it? A. Yes.

Q. Could he get it in some cases before his requisition came to you at all? A. Not unless they had to do it to prevent the dredge being idle.

Q. Supposing he had during the summer season sent a requisition for coal two or three times and they were still working in the same place and wanted more coal, in that case he would go and get his coal would he? A. Yes.

Q. He would not send in any requisition? A. Oh yes, he would send in a requisition every time.

Q. But does he sometimes get the coal in such a case as that where he has been before to the same person to get his coal, would he sometimes in such a case as that get the coal before the requisition came back? A. No, he would write again or wire again.

Q. But you never refuse a requisition of a man—say a dredge engineer sends up a requisition for coal, you say yes, and you tell him where to get it? A. Yes.

Q. And as regards the quantity you take it that he needs it, and when he sends a requisition you say yes, you don't check the quantity? A. We know whether he would require it or not.

Q. How do you know? A. We know the consumption.

Q. But the consumption would depend upon the amount of work which would be done? A. Where she was constantly working, it would depend on whether she was constantly working or not, yes, sir.

Q. But there is a time through stress of weather or something like that she would not be constantly working? A. Yes.

Q. Well, take something which is not so easily arrived at as the consumption of coal—take lubricating oil, which is a large item on a dredge. How do you know when she requires lubricating oil? A. We know her average consumption.

Q. Where do you get your average consumption, Mr. Godwin? A. From past years.

Q. Have you any book showing it? A. Yes, our annual report shows it.

Q. What? A. The annual consumption.

Q. Which you have made up after the end of the year, after the thing is all gone through, and the annual consumption of the year before, but in the mid-summer of this year, you won't know whether a man is exceeding his annual consumption or not. You have no book which will show you—we will say the 1st day of August, now you have no book or account in your department which show you how much oil that that man has averaged during the year? A. Yes, we know just what we have sent him.

Q. How do you know? A. We have the record.

Q. What record? A. It is kept in our press book.

Q. In your letters? A. Yes, what is shipped to him.

Q. Have you put it in a tabulated statement anywhere? A. Only in Mr. Cameron's book.

Q. You have not tabulated it there under the heading of the ship, the oil for instance you have not put the two together? A. Yes, sir, in Mr. Cameron's book. I will show you distinctly. Suppose we sent two barrels of oil, a barrel of cylinder oil and a barrel of other oil, it would show, the dredge *Challenge* or the dredge *Nipissing*, those two barrels of oil will show in Mr. Cameron's book, under the date when it was sent on.

By Mr. Lake:

Q. He will have the date the requisition was approved? A. Yes, and he will have the date of the account.

By the Chairman:

Q. When you get the requisition in which oil is called for, do you sit down and call for the amount of oil that dredge has already had and consider whether this amount they are asking for is in excess of what they ought to have or not? A. Yes.

Q. That is your regular course? A. Yes, because they generally take oil that will do them for the season or pretty much, and if they ask for more oil I make inquiries as to why they want it.

Q. Now in regard to other kind of supplies, they get it at intervals throughout the season do they not? A. Yes.

Q. When there are requisitions for other kinds of supplies what course do you take when you receive a requisition? A. Well if we haven't it here I send my instructions where to get it, if it is stuff that has been contracted for we have to go to that firm.

Q. Do you not first of all satisfy yourself that he is likely to want those supplies? A. Well, yes, sir, we satisfy ourselves that he wants them.

Q. In what way do you do that? A. By knowing what he has already had.

Q. Then you do sit down and check the requisitions with what he has already had? A. Oh yes, we find out what he has already received, and if it seems to be right and proper well—

Q. Then you inquire from him why he wants that? A. Yes.

Q. You don't just sit down in a merely mechanical way and send out anything they ask for? A. Oh no, sir, in nine cases out of ten when they ask for—very often they send in a requisition and I will cut it down one-half of what they ask for.

By Mr. Ducharme:

Q. How do you cut it down? A. Because I know what they would really require in that length of time.

Q. You judge by your own estimation or by letters that you have? A. From past experience.

Q. You simply exercise your judgment based on your past experience? A. Yes.

Q. You must go on your own experience? A. Yes.

Q. You do not go for information to any books at all? A. No, sir.

By the Chairman:

Q. That last answer really sums it all up, in dealing with requisitions: don't you rely entirely on your recollection of the matter, you don't refer to the books, as a matter of fact you have no books ready to be referred to have you? A. We refer to our books to find out when they got the last.

Q. What do you mean by referring to your books? A. What books would you refer to? A. We know our shipment.

Q. By looking up your letter books? A. Yes, our letter book.

By Mr. Lake:

Q. Do you have an account for each separate dredge to show you what supplies they have received during the season and the dates on which they have received them? A. No, sir.

By the Chairman:

Q. What Mr. Lake and I are both after is this: Have you before you posted up continually under the head of the different dredges and under the columns of the different classes of material a tabulated statement from which you can see at a glance how much of any particular thing a particular dredge has been having from time to time? A. No, sir.

Q. Have you as a matter of fact, at any time carefully examined the qualities of the different materials used by the same dredge in different years for the purpose of ascertaining whether there was any leakage or waste in these things or not? A. Oh yes, sir.

Q. Well, I would like to see how? We will get the book here in a short time. Now, I don't mean casually or incidentally, but do you do it as a practice in the department, keep the cost accounts against the different steamers in which you can tell the cost of material items as they go and see whether they are needing them or not? A. No.

Q. I suppose you know, Mr. Godwin, that in a well conducted commercial establishment cost accounts of a very careful character are kept, showing the consumption of practically everything that is used? A. Yes, sir.

Q. And the cost of everything that is used? A. Yes, sir.

Q. Are any books of that kind kept in the dredging department, Mr. Godwin? A. None but the one I told you of.

Q. Are you sufficiently familiar with commercial practice to say whether your department does keep what a commercial establishment would keep under similar circumstances in the way of books, whether there is a good system of accounting,

cost accounting, in your department? A. Well, in our particular branch it could be improved certainly, but as far as the accountants office. I don't know whether you mean that—

Q. I am only talking about what you know personally, and nothing else.

By Mr. Lake:

Q. You mentioned the case of a broken anchor, in conversation just now, now I want you to tell me the course that would be followed to replace that? A. Well, just now, for instance, we have the dredge *Industry* at Collingwood, that is the largest one we have. Our anchors are in a very weak condition. We have contracted for a supply of spare sticks, and they are on the way, and as soon as the sticks are at Collingwood, the captain will have the old ones replaced by new ones. That is in the case of the *Industry*. Then we have a little dredge working near Ottawa. She breaks a spud. The captain will immediately notify us that she has broken anchor and if we have another one it is shipped off to him immediately.

Q. Have you stores? A. We keep spare anchors.

Q. Where do you keep them? A. Right here, for these small dredges that are working near here.

Q. But if you haven't got one in store what do you do? A. We buy it at the nearest place that we can get it.

Q. Who makes the purchase? A. The captain of the dredge is authorized to purchase it if he gives the particulars of where he could get the anchor and at what price he could get it. If the price is reasonable he is authorized to get it.

Q. You have no regular agent who purchases the supplies for the department? A. No.

By the Chairman:

Q. Now, Mr. Godwin, if you will just retire for a few moments we will examine Mr. Cameron with regard to the books.

Witness retired.

Examination of WILLIAM L. CAMERON, clerk in the Public Works Department.

Examined by the Chairman:

Q. When did you first enter the service of the government, Mr. Cameron? A. In 1902.

Q. In what position? A. Clerk.

Q. In the dredging department? A. Yes.

Q. Have you been at the same work ever since? A. Yes sir.

Q. What salary do you get now? A. $1,350.

Q. You are in what class? A. I am now in Class 2B .

Q. You are getting more than $1,350 now, are you not, Mr. Cameron? A. Yes, sir, with the statutory increase.

Q. How much are you getting altogether? A. I am running now $114.79 per month.

Q. How much is that a year? A. $1,350 and statutory increase of $50 a year since 1909.

Q. Have you got to the top of your class, as high as you can get? A. No, $1,600 is as high as I can get.

Q. You have a retirement deduction besides that? A. Yes.

Q. What is your total salary? A. It is $1,350 together with the statutory increase.

Q. What is the statutory increase? A. $50 a year.

Q. This year you will be getting $1,450? A. Yes, I think so.

Q. What were you doing before you entered the service in 1902? A. I was railroading, sir.

Q. What were you doing? A. Keeping books for my brother.

Q. You say you were keeping books for your brother? A. Yes.

Q. Who was your brother? A. J. B. Cameron.

Q. What was he? A. A contractor.

Q. A railway contractor? A. Yes sir.

Q. Then you were just keeping his contract books? A. Yes sir, exactly.

Q. What did he construct, was he constructing a railroad? A. Yes.

Q. And you were going out with him on the job and doing his books? A. Yes.

Q. The books which you keep every year is the book which you have produced here and which I now have before me at the present moment? A. Yes.

Q. And that is called a statement of expenditure incurred by Dredge.....for the month of.....year.....? A. Yes sir.

Q. An account is kept for each dredge? A. Separately.

Q. Separately from any other dredge? A. Yes, sir.

Q. And in that book month by month you enter up—by the way, what do you call this book? A. A journal.

Q. It is called the journal and applies to Ontario, Quebec and the maritime provinces? A. Yes, sir.

Q. It does not cover the west at all? A. Not that book.

Q. Do you keep any book for the west? A. No, I have not been keeping the accounts for the west this year.

Q. In this book what is it entered up from? A. All the vouchers are entered, and the pay sheets.

Q. You get the pay sheets and the vouchers, when do you get them, after the month is ended I suppose? A. Yes, sir.

Q. Where do you get them from? A. They come to our department.

Q. They have been first paid and sent back to you by the accountant's office, is that right? A, Yes.

Q. You get them at the accountant's office? A. I get them in my own office, They come through Mr. Godwin's office first.

Mr. GODWIN.—If I may be allowed to interrupt here, I might say that the accounts come in triplicate, and the third copy is kept in our office.

By the Chairman:

Q. And after a month is closed you go to work and enter them up in this journal? A. Yes, sir.

Q. Now when you enter them in this journal you first put down the party to whom this money has been paid, do you not? A. Yes, sir.

Q. A brief description of what it is, such for instance as hardwood? A. Yes, sir.

Q. And then you say under a column, chargeable to—and you have under that column the words, 'wages, repairs and fuel'? A. Yes, sir.

Q. Do you keep a ledger account for the wages and one for the repairs? A. No, sir, we just keep it with the dredge there as you see it.

Q. You keep nothing else but what is here? A. No.

Q. There is no way as it is kept, against the dredge *Challenge,* for instance, which I am looking at under the ledger account showing what her repairs have amounted to there? A. Yes. Repairs are under D.V.R.

Q. Going across the book I see certain accounts, we will say D.V.R., what does that mean? A. Dredge, vessel, repairs.

Q. Then I see you have the letters D.P.W., what does that mean? A. Oh, that is Department of Public Works.

Q. You have Ontario and Quebec, Rockland, L'Original and Rigaud? A. Yes, that is where the dredges are performing their operations.

Q. These three last places I have just mentioned, what provinces are they in, first take Rockland? A. Rockland is in Ontario.

Q. And L'Original? A. L'Original is in Quebec.

Q. Why have you kept Rockland separate from Ontario? A. Because the work done there is charged up to the place or the dredges.

Q. Why not in the other places? A. So we have.

Q. They are working at other places in Ontario besides Rockland? A. Yes, but this is one particular dredge.

Q. She worked in Ontario? A. That is an appropriation of Ontario and Quebec, that you are looking at. We charge up against—

Q. To a general appropriation for Ontario and Quebec? A. Yes.

Q. So if there is an appropriation for a particular place and not against the general appropriation for Ontario and Quebec? A. Yes, that is it.

Q. Now, then if a dredge is working at a particular place you charge repairs apparently against a repair account? A. Exactly.

Q. And everything else for that dredge you charge against the appropriation for that particular place? A. Yes, sir.

Q. Well, then, when you afterwards make a statement of what the dredging has cost at that particular place, don't you put any portion of the repairs into that account or do you just put a general repair account? A. No, I have an account open in the annual report which shows how the expenditure on dredge, vessel, repairs, apart from the general expenses of the dredging, that is the working expenses.

Q. The working expenses are charged against the appropriation to all places? A. Yes.

Q. The repair expenses are charged under the head of repairs? A. Yes, dredge vessel repairs.

Q. You prepare an account for the Public Works Department which is put in their annual report do you not, Mr. Cameron? A. I do. sir.

Q. Have you one with you? A. Yes, I have brought one with me, it is just in pencil, it has yet to be typewritten.

Q. What I was asking about was really this whether in the yearly reports of the department works done at various places were charged with any portion of the repairs on the vessel or whether the repairs were all put into one account? A. The repairs and the general expenditure is charged up to the dredge, but there is a column for each, and you can see them there.

Q. The construction and improvement of dredges, that doesn't go through you at all? A. Repairs?

Q. No construction? A. Yes, I keep an account, that would go under the new dredge plant.

Q. Now, we will take the large expenditures—that year there was $235,000 spent in British Columbia for construction and improvements, that would go through your office, you say? A. No.

Q. That would be made up in the accountant's office from their sources? A. Yes.

Q. There was construction and improvement $166,000, that would not go through you? A. No, sir.

Q. That is for dredges, too? A. Oh, yes.

Q. What goes through you is only repairs? A. Yes.

Q. Do you keep in this book the maritime province work at all? A. Not now.

Q. Nor British Columbia, nor anything but Ontario and Quebec? A. I have the work done last year. I haven't the thing here though.

Q. Have you kept it year by year? A. Last year was the first year I kept it for the maritime provinces.

Q. You started last year to keep a book like for for the maritime provinces? A. Yes, sir.

Q. Not for British Columbia and the west? A. I am keeping a book for the west now.

Q. The bills that you put under the head of dredge, vessel, repairs, are small bills coming in from time to time that have been incurred by the officers, the captain and so on, and vouched for and sent in and paid? A. Yes, sir.

Q. Now then, these bills, do you enter them up in this book? A. It is according as they come in.

Q. Accordingly as they come in? A. Yes.

Q. Are you up to time with this book, for instance, with your book for the present year? A. Yes.

Q. Do you post it up every day? A. I may be a few days back according to the volume of business that comes in.

Q. Then from this book you prepare a memorandum, do you, and statements of various kinds? A. I do, sir.

Q. How often do you prepare these statements? A. Twice a year, the semi-annual and the annual statements.

Q. Is that the statement you showed me just now? A. Yes.

Q. Will you please let me have it again? A. Yes, sir, that is for dredging.

Q. That is a pencil copy of the report for dredge No. 3? A. Yes.

Q. Showing the details of her expenditure, the quantity and description of materials dredged and so on? A. Yes.

Q. And you make that up at the end of every six months? A. Yes.

Q. In order to make that up in that way you have to take a pencil and paper and go over each of these accounts that have been entered up and separate the various items don't you? A. Yes.

Q. From the accounts? A. From the book.

Q. Then you do it from the book? A. Yes, sir.

Q. Well, now, we will take a case, I see here a moment ago—A. I will show you Mr. Morine, the way it is done.

Q. What you do is this, taking this journal at the end of the six months period with a lead pencil and a lot of waste paper you go over and put the items—A. Every item separately.

Q. Yes, under these different heads of Wages, Fuel, Provisions, Stores and Equipment, Repairs, Towage and Contingencies? A. Yes.

Q. And these seven subdivisions contain all you have entered against that particular dredge during that period of six months? A. Yes.

Q. Now Mr. Lake has just drawn my attention to the fact that you have the word Construction there? A. We are building No. 4.

Q. Well now, Dredge P, what does that mean? A. That means Dredge Plant

Q. In that case you do not put it in that summation? A. No.

Q. Now you have made up this account in pencil in the way I have just described? A. Yes.

Q. But you have no book or books in which you classify these items from day to day from the bills themselves? A. I just classify them from the bills themselves, as they come in.

Q. You do not classify them in the way I am speaking about, only at the end of every six months, when you take a lead pencil and make this classification as I have described? A. I do, because we get quite a bill, three or four sheets, and these sheets may continue coal, provisions, doors and other materials that have to be put in all these heads, and I have to total them up separately before I enter them in the book.

Q. Before you enter them in the journal? A. Yes.

Q. And do I understand that you classify each bill for the purpose of entering it in the journal? A. Exactly.

Q. But this lead pencil summation at the end of the six months, you make up and put into a statement, and the result is really in the nature of a ledger account? A. Exactly.

Q. Could it not be done by simply keeping a book and calculating it in this way instead of doing it with a lead pencil and paper? A. Exactly.

Q. And make up a total and see if that balances? A. Yes.

Q. And you do that every six months I understand? A. Yes.

Q. Why don't you keep in your department another book of a permanent kind under these same heads that you do put in the statement, you could post up every day the amount that has been paid, for instance, for wages, fuel, or something like that? Why don't you get something in the nature of a ledger account for that purpose? A. It would make the work much longer.

Q. But you would always have it before you in that case wouldn't you? A. Yes.

Q. And you could tell it to us every day couldn't you? A. Yes.

Q. Doesn't it take you a very long time after the end of the six months, a great portion of your time is taken up making this lead pencil statement? A. Yes, of course.

Q. This statement you get out must involve a considerable part of your work doesn't it? A. It certainly does.

Q. And after the end of six months when you have to make up this statement how long would say upon the average it takes you? A. To make it up?

Q. Yes, before you get your statement ready? A. It may take me before I get everything ready for typewriting, it may take me a month.

Q. To get the statement ready? A. Yes.

Q. In the meantime if any one came in and asked you during the six months before you made up your statement, how much had been spent in one of the various supplies, you couldn't tell? A. Every now and again when I have time I add up by month.

Q. But if I went over to you to-morrow and said: Tell me what the dredge *Challenge* has had in any way of fuel and provisions, you would probably answer to me, that will take me a good while to make it up? A. No, it wouldn't take me more than perhaps a day.

Q. You would have to run all through your journal and pick it out and add it up with a lead pencil? A. No, every day I do a portion of it, yes every day I do a portion of it.

Q. But you cannot do a month, say the month of March for instance, you could not do the month of March until March is ended? A. Certainly not.

Q. And all through the month of April when you get a chance you are using your lead pencil and paper and filling out your statement for the month of March? A. Yes.

Q. And in May you will be doing that for the month of April? A. Exactly, you cannot do it until the accounts come in.

Q. Under your system you cannot, because you have to enter it month by month? A. Certainly.

Q. But if you had a book ruled with proper columns for this purpose in which every day you could add any particular invoice you had entered you would have no particular trouble in seeing how much it was every day? A. Up to the time I would get the vouchers for, but sometimes the accounts do not come in regularly.

Q. Of course before you get them you can't do anything with them? A. Certainly not.

Q. I quite understand that. However, I think it is sufficiently obvious. Now even with this detail you have here, you have for instance, stores, equipment, you have no book over there showing in greater detail on account of stores, equipment and so on, have you? A. No, I haven't.

Q. You do not distinguish between well, oil is not distinguished from waste? A. Yes, you see it here.

Q. That is your remarks column? A. Yes.

Q. But you have not any column in which the total amount of oil is distinguished from the total amount of waste, &c.? A. No, sir, it goes into the stores account.

Q. You have no means of comparing year by year the expenditure on a particular dredge for one thing as compared with the same thing at another time? A. We have a dredge list of repairs there.

Q. There is no comparison about that, because if a dredge happened to run upon a rock, the repairs can be very much greater one year than they were the year before? A. Yes.

Q. But one of your greatest expenditures is lubricating oil, I suppose? A. Yes.

Q. You have not anywhere anything to show at a glance how much lubricating oil was used by any particular dredge during a certain period? A. No, we have not.

Q. There is nothing which in commercial life they call cost accounting, in your department to any great extent? A. No.

By Mr. Lake:

Q. Oil comes under the stores, I suppose? A. Yes, sir.

Q. And rope also comes under stores? A. Yes.

By the Chairman:

Q. With regard to provisions on the dredges—well take fuel first, on departmental dredges, is that purchased by tender and contract? A. Sometimes it is and sometimes not.

Q. Sometimes it is purchased by tender and contract and sometimes not? A. No, sir.

Q. In Ontario and Quebec is it generally purchased by tender and contract? A. Not always.

Q. It may be bought locally? A. Certainly, when it is required on the wharf.

Q. And in buying it who does the buying? A. Mr. Godwin does the buying.

Q. Oh, no, he does not? A. He makes a requisition.

Mr. GODWIN.—If you will pardon me, I think Mr. Cameron means when it is bought in large quantities I do the buying.

By the Chairman:

Q. Suppose a dredge is lying at a particular place and requires coal? A. The captain will buy it.

Q. He will buy it locally and will buy it from some person that he is told to buy from? A. Yes.

Q. And he may be told that person by Mr. Godwin or the resident engineer, in some way it is conveyed to him who he is to buy from? A. Yes.

Q. Now stores and equipment are bought in the same way as supplies? A. Yes, in the same way.

Q. And as to repairs, all you know about that is that the bill comes to you to be paid and you enter it up? A. Yes, that is all I know about it.

Q. Your whole duty summed up is keeping this book and making this statement that you have referred to? A. Yes, sir.

Q. In the way you have mentioned? A. Yes, sir.

Q. With regard to provisions—I suppose that means provisions for the crew? A. Yes, sir.

Q. Are any of these dredges supplied, I mean are the crews of the dredges fed by contracts with a cook or captain? A. Well, the cook boards the men in some dredges.

Q. In some dredges the men are boarded by the cook? A. Yes.

Q. Is that a rule or only an exception? A. I don't know if it is a rule, but they do it.

Q. Well, I will put the question this way, is it more general than the other way? A. It is more general.

Q. That would be in Ontario and Quebec you are speaking of? A. Yes.

Q. You don't know anything about the maritime provinces in that respect? A. No, I do not.

Q. When the cook boards them is there a regular rate per man allowed? A. Yes.

Q. It is the same rate on all dredges? A. It may be about the same rate.

Q. Don't you know from the accounts whether you have a regular stated sum in the department, or if it is a mere matter of contract with a particular cook? A. He boards them at a certain rate per man.

Q. Is that the same rate in every case? A. As a general rule it is, well you see a different rate applies sometimes, they might charge a little more.

Q. Who fixes that, how is that arranged? A. That is arranged of course by the superintendent. He has to see that the board is not charged too much.

By Mr. Lake:

Q. How do you distinguish between stores and equipment? What comes under the heading of equipment? A. That is a new form, Mr. Chairman.

Q. The one you have just shown us is a new form? A. Yes.

By the Chairman:

Q. This statement which I find in the blue book for 1911 as part of the report of the chief engineer along about page 226, entitled "Classification of disbursements of dredge during the year ending March 31, 1911," the dredge *George Mackenzie* for instance, are these statements made up by you? That would come from the maritime provinces wouldn't it? A. Yes.

Q. Then that would not be made up by you? A. No, sir.

Q. Well we will take some, for instance, in the province of Quebec. We will take the dredge *Duchene*. That is one of the Ontario dredges, is it not? A. Yes.

Q. Well there is a statement on page 313 with regard to the dredge *Duchene*; that statement would be made up by you? A. Yes, sir.

Q. Now that would not include anything in the nature of construction and improvements which had been made in any large way, would it? A. No, that is simply for the general repairs and the general expenditure.

Q. Carried on by the officers under the captain and the general working expenses? A. Yes, sir.

Q. But if she were laid up in the winter and any large or considerable repairs were made on her that would go through another department? A. It might, or it might not. If it were anything in the way of new dredge plant, we would charge it to new dredge plant, but apart from that everything is charged up to the dredge.

By Mr. Ducharme:

Q. I see here in your monthly reports, for instance, provisions of certain amounts? A. That is the board for the men during the month.

Q. You do not get any report as to what has been actually consumed? A. No, in that case the men are boarding. This is the cost of the boarding.

Q. You have merely charged the amount for board? A. Certainly, it comes in by the month on the pay-list; the pay-list says so much wages and so much board.

Q. Well then take the coal, and fuel, that is not purchased? A. That is fuel charged up to the dredge every month.

Q. Coal that you have purchased?—A. Certainly.

Q. Do you ever get any reports from the coal that you have paid for? A. No, it is coal that is purchased.

Q. The moment you send it it is supposed to go and be consumed? A. Yes.

Q. At the end of the year do they make any report as to how much they have on hand? A. I do not get that.

Witness retired.

Examination of Mr. Godwin, (recalled):

By the Chairman:

Q. A few moments ago you volunteered the statement that when a captain was told to buy locally he was frequently told to buy in the cheapest market. A. Yes.

Q. Does that mean that he can buy from any one he likes? A. Yes, not to pay outrageous prices.

Q. That is not the point. You said a moment ago that he was given a list of persons from whom he was to buy, he is told to buy from these men on the list? A. Not in all cases.

Q. In the majority of cases? A. Yes.

Q. Well we won't deal with the exception, we will deal with the rule. When he is told to buy from a particular man how can he buy in the cheapest market? A. He is instructed not to pay more than the local rate.

Q. Not to pay any more than the local rate? A. No.

Q. But he is not able to go around to Tom, Dick and Harry, and ask them what they will sell for? A. He will ask them the price of coal, I have done that many a time.

Q. Well, when you say he does, you are only guessing at what he does? A. He is instructed to find that out, I send instructions to that effect every day.

Q. You may have some cases in which you have instructed him, but we are talking about the general rule, not about exception. The general rule is that if a man wants to get coal at a certain place he is told to buy from a certain man isn't that so? A. Yes, sir.

Q. And he has to get it from that man and no one else? A. No, I think it is rare that that is ever done, I don't know of that being done.

Q. What do you mean that is done? A. That I am to go to a certain man.

Q. Well what you meant——A. Just as I said Mr. Chairman, that he is to buy where he could buy cheapest.

Q. I want you to produce for me any instructions you have given the men, to bring me down letters of a general kind, showing general instructions, and particular instructions, particularly to show me where you have ever told a man to buy in the cheapest spot wherever they could get it, and also to bring me down letters or copies of your ordinary instructions to men who are buying stuff? A. Yes, sir.

Q. You can select some letters illustrating your general practice in the department? A. Yes, sir.

Q. Now, at the end of the year these dredges are laid up in various places I suppose? A. Yes, sir.

Q. Well, you have several dredges in Ontario, have you not, Mr. Godwin? A. Oh, yes.

Q. Well in Ontario you have more departmental dredges than you have in Quebec? A. No, sir.

Q. You have more in Quebec than you have in Ontario? A. Yes, sir.

Q. Where are the Quebec dredges laid up? A. Some in Quebec, I think only one in Quebec, and two in Montreal.

Q. Then those Montreal dredges were dredging up this side of Montreal? A.No.

Q. Are they not above Lachine? A. No, the Montreal ones are below Montreal.

Q. The ship channel is in the Department of Marine and Fisheries? A. Yes.

Q. Your dredges below Montreal must be in small rivers flowing into the St. Lawrence? A. Yes, rivers and harbours.

Q. Both rivers and harbours? A. Yes.

Q. Are they taken to the same place every fall to be laid up? A. No, sir.

Q. Just wherever they happen to be? A. Yes, if it is a suitable place.

Q. And if it is not a suitable place they are taken to the nearest suitable place I suppose? A. Yes, sir.

Q. Now are the crew, the captain and so on, kept on during the winter? A. No, sir, not all the crew.

Q. Who are kept on in the winter? A. Well in the winter there is a captain, a craresman, engineer and fireman if they require him.

Q. The fireman is there if he is required? A. Yes.

Q. Well, is an account taken of their stores at the end of the year, of their stores and equipment? A. You mean of what there is on hand?

Q. Yes. A. No.

Q. There is no account taken at the end of the year? A. No.

Q. The stores of a dredge would include coal, oil, provisions, ropes and various small matters, those would be the main things? A. Yes, we don't have any as a rule, they generally run out.

Q. You judge that they run out? A. From past experience when I was around attending to those matters.

Q. But that is mighty unfair to draw a general deduction of that kind of people. People may have been honest in your time and not honest now. They may or may not have stuff left on hand at the end of the season, and you know as you get a pretty general requisition at the spring of the year for fresh supplies don't you? A. Yes.

Q. But as a general practice no attempt is made at the end of the year to take an account of stock in each one of the dredges to see what is there when she lays up? A. To take an inventory you mean?

Q. Yes, to take an inventory? A. No, sir.

Q. You do not require the officers to take an inventory? A. Not now.

Q. It was required at one time? A. Yes, when we had two or three dredges.

Q. But now that you have more dredges you don't have it done? A. Not generally, no.

Q. You don't have it done now that you have more dredges you say? A. No.

Q. Upon the principle, I suppose, there being so much more, there is no use to try to watch them. Do you keep your communications with captains of dredges? Have you on file at your office files of correspondence? A. Yes, sir.

Q. Would those be filed under the names of different dredges or do you just have a file of regular correspondence covering a month or something of that sort? A. Yes, they would come under the different dredges.

Q. Right in your own department? A. Yes, sir, I was going to say that our filing system is very much behind owing to lack of help, but I can get you anything you require.

Q. All the correspondence in your department—has that been filed away in the records office or is it still in your office? A. In my office, what is done in my office.

Q. What is done in your office is filed in your office? A. Yes.

Q. And right back for a considerable time you have the files in your office? A. Oh yes, sir.

Q. That will assist us more or less, all communications about the dredges and handling them, and all that sort of thing? A. Yes.

Q. And will give a pretty fair idea of the general work you have to do, wouldn't it? A. Yes, sir.

Q. Well, I think I would like to have a file of that correspondence? A. I would like you to see it. You can see my instructions and it will show you better than I can explain it.

Q. We will take the instructions for the last year, 1911, you might bring down the file of correspondence and we will meet again at half past two and you bring down the file of correspondence and I think that that will illustrate your practice perhaps as well as anything.

By Mr. Ducharme:

Q. Why do they come and ask you for special things such as anchors, when they are broken and things of that kind, why do they sometimes apply to you? They always apply to me, because they are under the control of that branch. We have to supply them with repairs.

Q. Why not address Mr. Howden? A. On account of Mr. Howden being away so much it would be better to address me. Of course, some do address Mr. Howden, but their letters are referred to me when Mr. Howden is away. Now some of these big dredges in Quebec there, they would write to Mr. Howden if he was in Ottawa, and then Mr. Howden would refer it to me.

Q. And it would be sent to you? A. Yes, referred to me.

Q. If Mr. Howden is not in Ottawa, what becomes of that letter? A. It goes to me.

Q. It goes to you when he is not in Ottawa? A. Yes.

The Commission then adjourned until 2.30 in the afternoon.

At 3.00 in the afternoon the Commission reassembled and the examination of Mr. Godwin was continued as follows:

By the Chairman:

Q. Who is your filing clerk, Mr. Godwin, who does the filing in your department? A. In our branch?

Q. Yes, right in your office? A. There is more than one, they have the new filing in there, and every one is supposed to take the letters and file them away, where they are in a proper place.

Q. Haven't you one clerk in your office who is called the filing clerk? A. No, sir.

Q. Well whether he is called a filing clerk or not is there one person in your office who is supposed to file the papers away? A. No.

Q. Do you mean to say that every one files as he likes? A. Yes, every one who has to do with the correspondence and letters, now there is one person for instance, looking after accounts.

Q. Who is that person? A. Miss Connery, she looks after our accounts and the ledger. She will file the accounts. Now there is the correspondence that goes out of my office.

Q. Now, about your office, who in your office looks out to file the letters, who keeps the actual file in your office? A. There is no one particular person.

Q. There is no particular person in the office to look after the files? A. No, sir.

Q. Who have you in the office besides yourself, in your own individual room, where you sit? A. No one but Miss O'Hanly, the stenographer.

Q. No one but Miss O'Hanly the stenographer? A. Yes.

Q. Is she supposed to look out for the filing of your correspondence? A. She is supposed to look out for the correspondence, but not the filing, that is taken out to the outer room.

Q. She simply takes down letters at your dictation and writes them down and sends them away? A. Yes.

Q. Then everything is taken out to the outer room, the copies of the letters and so on? A. Yes.

Q. Where are they taken? A. To the next room where Mr. Cameron is.

Q. That is the superintendent's room, isn't it? A. No.

Q. How many rooms have you in the basement there? A. There is my office, where Mr. Cameron is, that is two, then the draughting office, next where Walter's is, and then Mr. Howden's room.

Q. That is along near the door where you come out of the basement? A. Yes.

Q. Who is in that room? A. Mr. Huot and Mr. McClukie and one stenographer.

Q. Who is Mr. Huot? A. He is a clerk.

Q. What are his duties? A. His duties are to look after the reports that come in for our own departmental dredges.

Q. That is reports of the work they have done? A. Yes.

Q. Now when the private correspondence leaves your office into which hands does it go? A. Out into Mr. Cameron's office.

Q. It goes into Mr. Cameron's office? A. Yes.

Q. In Mr. Cameron's office, who keeps the files? A. Miss Connery.

Q. Miss Connery you say? A. Yes, but she has also to look after the accounts you see and the ledger.

Q. What accounts and ledger is it she keeps? A. The personal ledger.

Q. What do you mean by that? A. What I explained to you this morning, where all the accounts are entered as they come in.

Q. From individuals you mean? A. Yes.

Q. You mean to say you enter an account to their credit and charge them with a cheque when it is paid? A. We only charge when it is passed.

Q. When it is passed? A. Yes.

Q. What do you charge it to? A. Whatever appropriation it should go to.

Q. She is the bookkeeper for that part? A. Yes.

Q. And you say she has to keep the files of letters too? A. Yes.

Q. Now Mr. Godwin, you say you used to file under what you call the Shannon system? A. Yes, the old Shannon system.

Q. And now you have another system? A. Yes.

Q. How long ago did you change the filing system? A. In the last six months, I think.

Q. That system is simply what is called McGregor's Tabulating System? A. No, that paper on which you see McGregor's Tabulating System is only a thing in which I put the letters to bring them down.

Q. What system are you using now? A. The Eclipse, those are files you know.

Q. Now then I ask you, Mr. Godwin, to show me a copy of some of your letters? A. Yes, I just brought down a few of those to show you what I did.

Q. For instance, you have brought me some letters for 1910? A. Yes.

Q. And I find a letter here from the captain of Dredge No. 3 to you saying that he will not purchase any more supplies without authority? A. Yes.

Q. There are other letters at that time which would indicate that you sent out a circular letter to the different dredges? A. Yes, you will find it there, sir.

Q. A letter addressed by you on the 8th of June, 1910, to all the captains saying that they are to purchase no supplies of any kind whatever without first sending a requisition and receiving authority? A. Yes.

Q. Unless a breakdown or something of that nature should occur? A. Yes.

Q. Then you have already explained what they do under those circumstances, they send in a requisition and you endorse it and it goes back to them and they buy the articles? A. Yes.

Q. You have not yet told us, and does anything here explain how they know what persons to buy from? A. Yes, it shows from the correspondence.

Q. You say the correspondence will show that? A. Yes.

Q. You give me then some correspondence that passed in 1911? A. Yes.

Q. On the 7th of April you sent a memorandum to Captain Blondin as follows.—"You are authorized to procure 50 pounds of putty and 2 putty knives you asked for at Mr. Bell's. Of course first see the price is right.' Now there you tell the man to buy at a particular place. Now where was Captain Blondin at? A. Where the letter is addressed to.

Q. It is not addressed, it is only a memorandum to Captain Blondin. Do you remember Mr. Bell's store, do you remember where it is? A. Yes, that is at Mattawa.

Q. How did you get Mr. Bell's name, who would give you that name to buy at, who would tell you to buy at Bell's? A. That would come from the department to me, as a man on the patronage list.

Q. What somebody would tell you? A. It would come through the chief engineer to me.

Q. You mean the assistant chief engineer? A. Perhaps so far back as that it was before the chief engineer was appointed.

Q. This is 1911, last year, he was there all last year?

By Mr. Ducharme:

Q. When was he appointed? A. The assistant chief engineer you mean?

Q. Yes. A. It must be two years ago.

Q. And before that I understand there was none? A. No, before that there was no assistant chief engineer.

By the Chairman:

Q. Well, since Mr. Dufresne has been there in charge of the dredging, when you get the name of a person to patronize, do you get it from Mr. Dufresne or his office? A. Some from him, some from the deputy minister.

Q. Do you mean to say that the deputy minister comes and gives you instructions at times as to who to buy from? A. He does not come to give the istructions, but I get lists of names, patronage lists from the deputy minister, and some from the assistant chief engineer.

Q. Do you mean to say any of them come to you, not to be the assistant chief engineer, but straight from the deputy minister to your office? A. Sometimes.

Q. Sometimes they do? A. Yes, sometimes.

Q. Then in that matter you are confined to taking your instructions from the assistant chief engineer? A. Not if I receive them from the deputy minister.

Q. But do you receive them from the deputy minister or the minister? A. Sometimes I have received them from the deputy minister and sometimes directly from the minister.

Q. You say sometimes you have received those instructions directly from the minister? A. Yes.

Q. Now I want you to take a memorandum to produce any correspondence within the past three or four years from the deputy minister or from the minister concerning patronage? A. Or for other matters sir?

Q. Yes, or for other matters. A. I suppose with regard to employing men?

Q. Yes, I want you to give me anything that comes direct from the minister or from the deputy minister direct to your office, because it ought not to come. It ought to come in its proper channel. When you get names of persons to patronize in any way do you make a list in your office? A. Yes, we have a list.

Q. A regular patronage list? A. Yes.

Q. I wish you also to produce a patronage list, do you make up a fresh list every year? A. Not before this year.

Q. On account of the change of government you had to make a new patronage list this year I suppose? A. Yes.

Q. And before that you had a list, and you would add to or change it from time to time as you got instructions? A. Yes, the different people we were dealing with.

Q. Sometimes you would add a name or sometimes you would take a name off, I suppose? A. Rarely that we would take a name off.

Q. But you might? A. We might.

Q. Would your instructions about that always be in writing or would they sometimes be verbal? A. Oh, verbal.

Q. And you say you may get those instructions from the minister or deputy minister or the assistant chief engineer? A. Yes, sir.

Q. Yes, or any man above you? A. Yes—no, let me correct that, not any man above me. I wouldn't receive instructions from any one lower than the assistant chief engineer.

Q. Would you ever add or change a name on the list at the request of a member of parliament for istance? A. No, decidely no.

Q. Now then, here you tell this Captain Blondin to go to Mr. Bell's and you say to first see that the price is right. What do you mean by that expression, what could the captain do? A. He could see that it is not an over charge.

Q. Suppose the captain found there was a difference in price between one shop and another. could he get it from the cheapest shop? A. Yes, sir.

Q. In this memorandum of this letter you have written to him you have told him to get it from Mr. Bell? A. If the price was right.

Q. But you first told him, you said see that the price is right. I understand if that price was an over charge you would expect him not to get it without communicating with you, but would he have the right to go to another shop and get it? A. Not without an explanation.

Q. Have you ever known a captain to refuse goods on the ground that the price was not right? A. Just for the moment. Mr. Chairman, I could not tell you.

Q. I should think you could. I don't think you would ever get a captain refuse to take goods on a letter of that kind because the price was not right? A. I have had communications from captains stating that they were too high.

Q. And stating that they did not take the goods? A. Yes, I think I can discover that correspondence.

Q. Will you also produce any communications from captains or others refusing to accept goods on the ground that the price was too high? A. Yes, I will look for them.

Q. Now I find a letter here addressed to Captain Brousseau, the 17th of July, 1911, authorizing him to buy soap and washing soda? A. Yes.

Q. And this is in that letter: "Of course be sure you purchase from the right parties and that the prices are right." That word "right" of yours seems to be a very favourite word. What do you mean by the expression "the right parties?" A. Reliable parties whose goods are all right.

Q. Now do you mean to say Mr. Godwin, that in that letter you used the word "right" in the sense of reliable? A. Well, yes sir.

Q. Now don't you mean the parties that he had been told to buy from? A. Not by me, because in that case I never told him.

Q. If you did not tell him before that, didn't you mean the parties of the proper political stripe? A. Not altogether, Mr. Chairman.

Q. Well, just tell me what did you mean by telling him to purchase from the right parties? A. What I meant principally was to purchase from the regular storekeepr who would give him the goods such as he needed, not to go to work and buy from the shoemaker, but he should buy from a grocer.

Q. Do you mean to say that is what you meant when you told him to purchase from the right parties? A. That was principally it.

Q. You meant if he was going to buy washing soda not to go to a shoemaker to get it? A. He couldn't go to anybody and get it.

Q. Of course he wouldn't go to a milkman to get washing soda. Now you didn't mean to tell him to buy groceries to go to a grocer, because his own sense would be

enough to tell him that. You must have meant more than that, Mr. Godwin? A. No, I meant for him to get from the proper dealers in that line.

Q. You say then that you meant in telling him to buy soap and soda that he was to get it from men who dealt in soap and soda? A. In that line, yes.

Q. In that line of thing? A. Yes.

Q. Now was that the real meaning of that expression? A. It is the principal meaning, yes sir.

Q. The prices are right, means the prices are proper? A. Yes.

Q. How is it that you used the word "right"? A. To see that it is not an overcharge.

Q. How is it that you used the word "right" in one place in the sense of proper, and in another place where the sense is "regular"? A. Yes, not an over charge.

Q. In one case when you speak of the word "right" to mean not an over charge? A. Yes, sir.

Q. And when you use the word "right" with regard to the right parties, surely you must have the same meaning to it as you had with regard to prices. There is no sense whatever in telling the captain to buy groceries from a grocer, because he knows that. Now don't you mean that purely and simply—I am not blaming you for it, it is part of the ordinary routine office—but don't you mean he was to buy from people on the government patronage list? Isn't that what you really meant? A. No, not entirely, sir.

Q. Well chiefly then? A. No, I wouldn't say chiefly, because they had never got any instructions to do that.

Q. They always got instructions to do that? A. Everything being equal.

Q. No, not even everything being equal. Now what is the use of putting it that way? You had a patronage list and are told to buy from those people. It is not everything being equal, not anything of the kind. They have no right to go and buy from any one who is not on the patronage list. Isn't that a fact? A. Well I have, sir.

Q. But you don't practice it? A. No, I don't practice it, no, but Mr. Chairman, do you suppose we would pay more for goods if we could get it from a man across the street at a less price?

Q. No, but you wouldn't buy it from the man across the street at a less price, but I will tell you what you would do. You would go and tell the man on the patronage list that he was charging too high and that you could get it from the other man across the street at a certain price, and that you expected to get it from him at the same price. You never buy from an opponent of the government if you can help it? A. No, not if we can get it as cheap.

Q. You know you wouldn't be expected to do it—your superior officers would speak to you? A. Yes.

Q. Well then let us call a spade a spade? A. Everything being equal we would give the preference to the party in power.

Q. Now that is not a fair expression Mr. Godwin, you are expected to buy from your own friends, that is from the friends of the government, but you are told not to pay them unduly high prices, that is all? A. Yes.

Q. And you try to get them within limits as far as you can? A. Yes.

Q. But at the same time you make purchases from the suporters of the government for the time being? A. If the prices are right.

Q. But even if they are not right, you do not go to the opponent to buy, but you try and get the friend of the government to come down in his price, don't you? On the 18th of November, 1911, that is last year, you sent out a circular letter apparently addressed to the captains of the dredges? A. Yes, sir.

Q. About purchasing without authority? A. Yes.

Q. And you say here in this circular that accounts are continually coming in for goods supplied to your dredge which have been purchased without any authority from this office? A. Yes.

Q. Was that true? A. It was only a circular; it was only for some of the dredges.

Q. It was true with regard to some of the dredges? A. Yes.

Q. And you say in this circular that they must have a requisition and permission given to purchase the goods? A. Yes.

Q. What was the occasion of sending out this circular last November? A. This circular?

Q. Yes. A. It was to prevent them as much as possible from purchasing without requisitions.

Q. In the first place who directed that that should be sent out? A. I don't know, sir, if there was any direction. I think it just came from myself.

Q. Now from this correspondence it would look as though a very large portion of your time were taken up with receiving requisitions, directing the men where they were to purchase, or if you have the goods in store, directing that they should be sent out? A. Yes.

Q. So that to a large extent your work is that of the purchasing agent? A. In some senses, yes.

Q. Controller of supplies, as it were, and that sort of thing? A. Yes, I have brought separate files in order to show you the method in which it was done.

Q. You have picked these out from separate files? A. Yes, because they are of very different dredges.

Q. In this present method of filing, are you filing under the head of different dredges? A. Yes, different dredges.

Q. It would give us a better idea of the work, wouldn't it, of the work that you have to do, to take a file for one dredge and run right through it and see what you have to do. Have you any idea of the number of letters you send out from your department in the course of one season? A. No, sir, I could tell you by looking it up, but of course I cannot tell you just now.

Q. One stenographer does your work? A. She does just the correspondence.

Q. Does it keep one typewriter busy just to do your correspondence? A. Yes, sometimes more.

Q. And you just picked these letters out of the different files to show us? A. Yes, I told them what you wanted.

By Mr. Lake:

Q. On page 312 of the blue book I see you have reports of the work done by the different government dredges and a statement as to the cost per cubic yard for doing that work? A. Yes, sir.

Q. How do you make up your estimate as to the cost of that? Is it simply the cost of working the dredge that enters into your calculation or do you charge anything for depreciation of plant? A. No, we do not take that into consideration at all.

Q. Do you make up this statement? A. Yes, the annual report is made up in our office, for the dredges under our control.

Q. Now do you make any estimate at all of the depreciation of the plant each year? A. No, sir, only in special cases, where we might be renting a dredge to a contractor or something of that kind, which very rarely occurs, and then we go to work to find out the actual cost of the plant.

Q. Can you say from recollection what percentage you estimate as depreciation on plant generally in such cases? A. Not from recollection, I could show you a statement that has been made though.

Q. Then for the purpose of comparison with work done by contract this statement is of practically no value? A. Not without you take into consideration the depreciation of the plant or the amount of money invested in the cost of plant.

Q. That is to say without you take into consideration the interest on the government investment and the depreciation on the value of the plant? A. Yes, that is not put into the statement at all.

Q. And you have no return whatever which will show that calculation? A. No.

Q. I think it would make your report of very much greater value if you put that in? A. Well, would it not be difficult to arrive at that. Of course not at interest on the investment.

Q. I presume that all private companies would make estimates of what it would cost them in the way of depreciation of plant? A. Yes, but we are keeping that dredge up and repairing her every year.

Q. Are the repairs to the dredge entered in this return? A. Yes.

By the Chairman:

Q. One moment, right on that line, we will take the dredge *Challenge,* for instance, she was occupied in Quebec in 1910, was she not? A. Yes, in the province of Quebec.

Q. She got during the summer, of course, through April, May, June, right along, a number of things which are charged to repairs? A. Yes.

Q. When after the season was over, when she would be laid up for general repairs, where would she get those? A. That would be here.

Q. At Ottawa? A. Yes, that is what we call extraordinary repairs, that is the spring repairs.

Q. You have a place here in Ottawa on the island somewhere, where you can repair the dredges? A. Yes, what you call a shipyard.

Q. Who runs the shipyard? A. It is run under my office.

Q. Under your office? A. Yes, sir.

Q. What is the pay-list of the shipyard charged to, under what account? A. It is charged to dredge, vessel, repairs, and if it is new plant they are working on it is charged to new plant, for instaance, we are building a new dredge now, there is so much of that charged to new dredge plant, and so much to dredge, vessel, repairs, if they are repaired, and so much to Ontario and Quebec, whatever would be outside of that.

Q. Now then, if a particular dredge is brought in to be repaired and the draft of men there are working repairing the dredge, how do you get for the purpose of charging against that dredge, the value of the work which the draft has done on her? A. Just by keeping the time of the men, so many men on that and the amount of material used on that.

Q. So you charge that against the dredge and credit it to the shipyard? A. Yes, sir.

Q. So as to keep the shipyard account going as far as possible? A. Yes.

Q. And does that account bear in its table of detailed expenditure that you have given us here? A. The shipyard does, yes.

Q. In that statement which Mr. Cameron brought us down to-day? A. Yes, and those bills are charged in there, and the men's time, and the materials.

Q. Now in some way, suppose some of the Quebec dredges working for your department are repaired at Sorel, is the amount of work charged against her put in here? A. It would go in the annual report, any charge to the Ottawa shipyard.

Q. But would it go into this current report here? A. Yes, all those improvements would, if they go to Sorel, we generally get it done by the Marine Department, and they return us accounts for that work, and that goes through the same as ordinary accounts.

Q. Now to come back to what Mr. Lake was asking, with the exception of the allowance for wear and tear and interest upon capital and the cost of the dredges, all the cost of the dredges are put into these tables? A. Yes.

By Mr. Lake:

Q. Can you give me the initial cost of any dredges employed by the department last year? The cost of construction—was there one constructed last year? A. The last dredge constructed was No. 4, I think. She is now sent down to the maritime provinces. She would cost in the neighbourhood of $100,000.

Q. She was employed last year? A. Oh yes, sir.

By the Chairman:

Q. Some of your dredges year after year are being dropped out, I suppose? A. Yes, one dropped out this year.

Q. What one is that? A. The old *Challenge.*

Q. The dredge *Challenge?* A. Yes, we have been trying to keep her and have been repairing her.

Q. She was broken up? A. She will be, yes.

Q. Did you have any go out of commission last year? A. No.

Q. Have you had any lost from time to time? A. No, sir.

Q. Do you keep them insured? A. No, sir, the government does not insure any ships at all.

Q. Since you have been in the department have any of the dredges been lost at sea? A. Our dredges?

Q. Yes. A. None, sir, that comes under my supervision.

Q. Several of them in your time have been broken up and abandoned? A. Yes, and rebuilt two or three.

Q. Some of them have been entirely re-built? Of course, if they were re-built it would be charged to repairs? A. Yes, what I mean by re-built is this: We would take possibly the old machinery, it would be in better shape than the hull, the hull perhaps would be useless but the machinery would be in pretty good order, and we would take that and put it into a new hull with overhauling and repairing.

By Mr. Lake:

Q. What do you estimate the life of a dredge such as you have just spoken of, No. 4? A. Without any extraordinary repairs or without her being broken up?

Q. Without her being broken up. A. Twenty years, it depends entirely upon the officials though of course.

Q. At the end of twenty years you consider she would be useless? A. Yes, it would not pay to put any ordinary repairs on her.

By the Chairman:

Q. Under the head of harbours and rivers in 1911, I find a construction and improvement amounted to $549,461, and repairs to $187,358. With regard to these two items they are not charged under the head of dredging at any particular places where dredging was done? A. Well that statement would not come from me at all, because I never made any such statement as that.

Q. That is what I am trying to get at. It must have been in the accountant's branch, charges on these accounts that did not come through your books? A. Yes, that did not go through my office.

Q. That would indicate that there must be large charges concerning some things about the dredges which do not pass through your office? A. Yes, sir, those accounts you have right there, and in the wording of that, I never put in the word 'construction' in any of my reports.

By Mr. Lake:

Q. Now take on page 281 of the Public Works Report of 1911, is that the expenditure for works done by—government dredges, or is it the total expenditure? A. That is a thing I couldn't tell you sir.

Q. Is that table made up in your office? A. No, sir, that is for the maritime provinces. It is the total expenditure for the past nine years. That must be the whole thing.

Q. These tables are all prepared by Mr. Kingston are they? A. They must be.

Q. Do you prepare any tables for the blue books? A. Only one annual report, that is prepared in my office.

Q. Does your department do the dredging at Sorel itself? A. Oh yes, we have.

Q. Isn't that in the Marine Department? A. They are supposed to do the principal part of it, but we have dredges in front of the wharf there.

Witness retired.

Examination of J. B. St Laurent, of the accoutant's office, in the department of Public Works

Examined by the Chairman:

Q. What is your precise position, Mr. St. Laurent? A. I am one of the assistant accountants looking after the signing of cheques and supervising the accounts and certifying some accounts and accounts of paymasters, and so on.

Q. The accountant is Mr. Kingston, I understand? A. Yes, sir.

Q. Who is next to Mr. Kingston in that office? A. I am next to Mr. Kingston considering length of service because I have been there for thirty years.

Q. But what I really meant was seniority in the office according to the importance of position. Are you all just on the same plane in the office? A. Considering the work I think I am senior.

Q. Mr. Kingston is called the controller? A. Yes, sir.

Q. And then there is yourself—what salary do you get, Mr. St. Laurent? A. $1,900.

Q. Is that what you get now? A. Yes.

Q. You are just called a clerk, and are in class 2-A? A. Yes.

Q. You have been in the service since 1882? A. Yes.

Q. Steadily? A. Yes.

Q. You didn't go on the permanent staff until 1908? A. Exactly, I was two years with the chief engineer's staff, as a surveyor, and in the draughting office.

Q. Did you have any profession or training? A. I was a draughtsman at the time.

Q. And now you are really an accountant? A. Yes, sir.

Q. Keeping books and so forth? A. Yes, sir.

Q. Now, Mr. St. Laurent, in connection with the accountants office, how many clerks are there altogether? A. I think there must be close to thirty.

Q. There must be? A. Yes, close to thirty. I don't know exactly how many, but there may be 27 or 28 or 30, I am not sure.

Q. How many different offices do the accountants occupy, your branch? A. Well, seven offices. that is I mean to say apartments, because we have outside offices besides that.

By Mr. Lake:

Q. Does your branch make up the cost tables, expenditure? A. Yes, the total expenditure must be there, I think the last year we had somewhere around sixty millions.

Q. Well at page 294 the details of expenditure are given for the dredge No. 3 belonging to the Maritime Dredge and Construction Company? A. Yes.

Q. What do the wages given there refer to? A. Well at Ottawa, we have several letters of credit. We use our letter of credit, that is to say from Halifax to Vancouver, for everything except the maritime provinces dredging, which are paid by a special letter of credit. That is paid by a special letter of credit paid by the officers down in St. John.

Q. You cannot tell me what that statement in your report refers to? A. Well, that is not my part.

Q. Nor can you tell me what these contingencies refer to in a general way? A. That is the same thing that is paid by the letter of credit in St. John. We have several letters of credit.

By the Chairman:

Q. Now on the inside service there are various apartments and you have one of these apartments say looking after the civil government salaries? A. Yes.

Q. And another after contract payments? A. Yes.

Q. And another contains the ledger keepers I see? A. Yes, sir.

Q. Now in what department are you, Mr. St. Laurent? A. I am in Room No. 25.

Q. In what? A. On the fourth floor.

Q. Are you a voucher clerk or what? A. Signing the cheques for all that comes under me, every payment of the work from Halifax to Vancouver, except what is paid by special letter of credit in the maritime provinces.

Q. Would those be passed and added to the department cheques? A. Yes.

Q. You see here on a plan supplied from your office—you say you are in the cheques branch of the chief accountant's office, and you have to deal with series B and D? A. Yes.

Q. Now B refers to what? A. Harbour work in Quebec and Ontario and Manitoba.

Q. That is what B refers to, harbour works in Ontario, Quebec and Manitoba? A. Yes, and part of the Northwest, Saskatchewan and Alberta, and occasional accounts from British Columbia, but very few, because we have a letter of credit there, and in the maritime provinces also.

Q. Series B you are dealing with harbour accounts only? A. Yes.

Q. Does series B deal with harbour accounts all over the Dominion of Canada? A. Yes, except those paid by letters of credit in British Columbia.

Q. And that is all? A. Well, in British Columbia and the maritime provinces, as I have said before.

Q. Are harbour accounts paid by letters of credit? A. No, they are paid by Mr. Miner, who has series P.

Q. Then British Columbia and the maritime provinces are not in your office? A. No.

Q. But they go in the office of series G and P, Mr. Miner? A. Yes.

Q. Now with regard to the dredges in your office, British Columbia and the maritime provinces are not there? A. No, they are not there. I pay some occasional accounts for the dredging department for the maritime provinces, sometimes they are referred to me. I pay all the dredges from Quebec down to British Columbia.

Q. All the dredging accounts in Quebec and British Columbia are paid by you? A. Yes.

Q. Now, when goods have been purchased, the bill is certified and sent to the dredging branches, there they are certified and sent on to Mr. Chalifour I understand. A. Yes, he certifies, that he has authority to certify for the chief engineer.

Q. He certifies for the chief engineer? A. Yes.

Q. And then it comes to your branch, is that right? A. Yes.

Q. And comes before you? A. Well, they don't come direct to me, they go to the checker, who is supposed to check every account that comes through the office branch, no matter what they are, they go to the checker to be checked, to see if the account is correct.

Q. In whose office is he? A. Miss Alice Valade.

Q. She is the checker? A. Yes.

Q. What is she called? A. Checking clerk, I think.

Q. She is in the department called here on the plan, 'checking of acounts'? A. Yes.

Q. And every account that comes into the whole of the accountant's branch has to go before her? A. Yes.

Q. No matter where it is from? A. Yes, and then they go from her office into an entry book which is kept actually by Mr. Miner. He enters this in a kind of journal and they are charged to whoever has charge of the payment of the account.

Q. But the payment of the account goes to you? A. Exactly, after it has gone through those two offices.

Q. At any rate when it comes to you, you have nothing to do except to pay it? A. Well, to see that it is certified by whoever should certify it.

Q. That is you see it has the proper certificate upon it? A. Yes.

Q. And then you make out the proper cheque for it? A. Well, to see if there is an appropriation that—if it is charged to an appropriation, sometimes not knowing exactly how a thing is done, it might be charged to a wrong appropriation. We have control of the appropriations in our branch.

Q. The appropriation has been made and your branch notified of that appropriation? A. Yes.

Q. Well, assuming it is all right you issue the cheque? A. I have three parties to issue cheques.

Q. They write the cheques? A. Yes.

Q. Do you sign the cheques? A. Yes.

Q. Who else signs them? A. I am the only one to sign for the branch, for what I mentioned there. I have the most considerable number of cheques that are issued in the Dominion of Canada I think.

Q. But are not all cheques countersigned? A. Yes, after they are signed by me they are sent to whatever is authorized to sign for the deputy minister. There are three at present, Mr. A. St. Laurent assistant deputy minister, signs for the deputy minister, Mr. Desrocher the secretary, and Mr. Colman, the assistant secretary.

Q. It is some one outside of your office? A. Yes.

Q. The cheque is now ready to be sent to the person to whom it belongs? A. Yes.

Q. Now after the cheque is issued who charges it up to the account, do you? A. Well, after the cheque is issued, before they reach me, they are entered on the cheque list, the moment the cheque is issued it is numbered, say 3,000, and all the details, there should be several details for a cheque, covering an account for a purchase, it might cover two or three dredges, or the *Queen*, of No. 6 Drdedg or something like that.

Q. Who makes up the details? A. Whoever enters the cheque on the cheque list.

Q. In your office? A. Yes, in my office.

Q. But what I want to get at is where does it get into the books charged to the proper account? A. When I have revised the cheques with the cheque list, and see that everything is O.K., and it is signed by me, the cheque list is sent downstairs to be entered in the appropriation for dredges.

Q. Who keeps the ledger? A. Mr. J. B. T. Bedard, and Mr. J. J. Johnston. That is what I am referring to because there are other appropriations.

Q. Now you are familiar of course with the annual statements which are made up and issued in the report of your department? A. Yes, sir.

Q. And of course, I suppose you have to assist in making them up? A. To a certain extent, yes.

Q. Maybe you can explain them to me—would you just come around and look at this statement, I want to draw your attention to the statement for 1910-1911. We will take under the heading of dredges—in the first place you will notice under the heading of dredging at page 32 as an illustration, the heads of harbours and rivers, British Columbia, and in the column for dredging certain amounts charged against the names of certain places? A. Yes, sir.

Q. Now, in British Columbia all the dredging is done by departmental dredges? A. That I cannot answer, because as I have just told you it is paid by a letter of credit, a special letter of credit.

Q. Well, we will take Ontario then. In Ontario there is both departmental and contract dredging? A. Yes.

Q. In this column I have referred to for dredging for that year, amounting at the end of the year to $1,782,588, there would be say at Victoria harbour $256,000 would be the contract dredging? A. Yes.

Q. And there would be other places in which it would be departmental dredging? A. Yes, and places where we have both kinds of dredging.

Q. What I mean to say is, that it represents all the dredging of all kinds? A. Yes.

Q. No matter how it is done? A. Yes, sir.

Q. Now then, turning to page 32 again, I find in the sub-head of dredges and dredging plant, items by provinces? A. Yes.

Q. And they appear in two columns, the first column being construction and improvements? A. Yes.

Q. And the second being dredge, vessel, repairs? A. Yes, dredge, vessel, repairs.

Q. That construction and improvement would be entirely upon departmental dredges would it not? A. Yes, sir.

Q. Then on page 36, which is a recapitulation, we have an account of the totals of expenditure? A. Yes.

Q. Now they give the total for that year of dredging at $3,734,383, but that amount would not include the construction or improvements or repairs? A. No, it is just simply the dredging done.

Q. So that in order to get at what the dredging done for that year would really cost in this case we would have to add to those three millions the sum of $549,461? A. Not exactly, well of course that all depends, it is always there. We have our dredge vessel building and there might be a deduction made every year.

Q. In any case the expenditure of the year in connection with dredging would have been not only the three millions odd, but the $549,461.49 spent in construction and improvements? A. Oh yes, exactlly.

Q. And $187,358.40 on repairs? A. Yes, sir.

Q. These three items would contain the whole expenditure for the year in connection with dredges and dredging? A. Yes, sir.

Q. Whether contract or departmental or temporary expenditure or permanent construction, it would all be in that? A. Yes, sir.

Q. Are you familiar with the book which is kept down in the dredging office by Mr. Cameron? A. Not in any way, sir.

Q. Here on page 324 of the report for that year I find the report of the dredge *Prince Willie,* she was employed in the province of Quebec was she not? A. Yes.

Q. And $6,462.30 was spent? A. Yes.

Q. The details are given showing that it was entirely in the months of October and November that this dredging was done? A. Yes.

Q. And the details of that statement are prepared, we are told, by Mr. Cameron in the department below? A. Yes.

Q. What I have not been able to find out is whether any portion of the construction and improvement and repairs which are included in these two large items that I have mentioned would find its way into that detail of expenditure account? A. Well it shouldn't, because you have an item there for repairs.

Q. He has explained those repairs as being temporary and small repairs which are made and for which he receives bills from time to time, but it clearly would not include any construction and improvement repairs. The reason I am asking you about it is that they do not seem to know very much about it any way? A. Well it is not in our department at all. All I have to do is to pay the accounts when they

are certified and sent up to me. Of course large repairs I understand that, I understand that to a great extent, labour and expenditure, removing certain parts of the dredge would go to new dredge plant, but small items would go to dredge, vessel, repairs.

Q The small items would go to dredge, vessel, repairs? A. Yes.

Q. But if a vessel were fully re-built it would go to construction and improvements. What I want to find out if whether down in the office where Mr. Cameron is they would get a statement of that and include it in the details of expenditure for that particular dredge in the course of the year? A. Of course I don't know how they are making up that statement in Mr. Godwin's office, but I know we keep a separate account in the branch, and all that new dredging plant and all the dredge, vessel, repairs.

Q. I presume they don't put it in for this reason, it is too small and furthermore it is charged against the particular place where she has been working, in order to carry out a percentage of cost? A. Yes.

Q. And if it was a permanent improvement they couldn't do that? A. Yes, exactly, that is the reason why.

Q. Consequently what they put in under the head of repairs are purely casual repairs? A. Yes, repairs that are needed as they come along.

Q. Now we will take that very case of Quebec province, $6,462.30, and all he has in there is $584.19. How can you explain that, April 10, 1911, to March 31, $6,462.30? A. He must have included the expenditure of new plant in that besides the dredging account. That would account for it.

Q. Well, take the dredge *Sir Richard,* there are six places that one dredge *Sir Richard* was at, Kingston harbour only give $105. It seems to me the details are utterly misleading, because although they give the cost of dredging they only give the temporary repairs and in some cases there are a lot of repairs, this dredge *Quebec* got $3,000 worth of repairs and probably that is included in the head of repairs? A. Oh yes, certainly.

Q. I was anxious to find whether this construction and improvements got through this office below so as to be included in their detailed expenditure on the various dredges during the year, and it is apparent now that they did not get in there at all, that is the construction and improvement charges do not appear there. It is small and casual and temporary repairs that appear? A. Yes.

Q. Who is the bookkeeper or what bookkeeper would we be able to get down from the ledger keeper's office to explain to us how they keep this? A. I don't believe he could give you an explanation of this statement. He has no knowledge of this statement at all.

Q. But he could give an explanation of how they made up the general statement. I suppose it would be the bookkeeper would it not? A. Yes, the ledger keeper, Mr. Bedard, who keeps the ledger for the dredging and dredges and so on, and Mr. Johnston for the harbour works.

By Mr. Lake:

Q. Who drew up the different tables? A. The maritime provinces, part of them, are made by the officers down there, and another part in Mr. Godwin's office.

By the Chairman:

Q. I expect what you meant was this, the general tables published in the annual report—

Mr. LAKE.—I want to find out where the different tables are made, so if we wanted an explanation of them we would know where to go for them.

The WITNESS.—This general table?

Q. Who would prepare that general table under the various columns and prepare them for the accountant? A. Mr. Gagnon has something to do with them.

Q. I fancy though we could get from the gentlemen you have mentioned as having charge of the dredging ledger an explanation of how these columns are made up? A. Yes, sir.

By Mr. Ducharme:

Q. How many clerks are there with you in the office? A. Which office?

Q. Where you work? A. My own office?

Q. Yes? A. There are 5.

Q. What are their names? A. Mr. Thivierge.

Q. And next? A. Mr. Hay.

Q. And then? A. I had two young ladies but they went away a couple of weeks ago, but they have been replaced by a Miss Rattey.

Q. And any one else? A. Yes, Mr. T. Dube.

Q. Since how long have you been signing the cheques there? A. I have been signing the cheques since, well I forget just now, I can let you know to-morrow.

Q. Who signed the cheques before you? A. Mr. Kingston, Mr. Pare, Mr. Pare signed the year ahead of me.

Q. He left that office? A. No, but I have had nothing to do with him, he signs the cheques for the buildings. He has charge of the buildings. Arthur Pare.

Q. I see you have a great many in your office at $1,500 or $1,600, those would be the clerks? A. Yes.

Witness retired.

OTTAWA, WEDNESDAY, March 20, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A. R. DUFRESNE, (re-called):

By the Chairman:

Q. I asked you to produce any evidence bearing upon the conduct and work of Mr. Graham, the local superintendent in Nova Scotia. Have you got anything? A. I produce some correspondence regarding the claim for tug hire of the *Mersey*.

Q. Generally speaking, has Mr. Graham discharged his duties to your satisfaction in that office? A. No, sir.

Q. Do you regard him as efficient, qualified? A. He is not regarded as an efficient or qualified superintendent.

Q. Do you know what his trade or profession is? A. I do not know what his trade is. I have been told that he was a salesman for some steel company, I think.

Q. So far as you know, he has not had any practical connection with dredging except in this position? A. I do not know that he has ever had any practical experience, or any experience of any nature in connection with dredging.

Q. In any case he is not a machinist or mechanical engineer? A. Not that I know of.

Q. Have you reason to believe he is not? A. I have reason to believe he is not qualified.

Q. Outside of your correspondence with him, you have seen him here at Ottawa on official business? A. I have seen him only once in Ottawa, that was on October 3 last.

Q. When he was summoned here to give an account— A. He was summoned here at the time to give an account of the circumstances connected with the hire of the tug *Mersey*.

Q. Giving reference to the correspondence, briefly state what that matter was? A. The reference to this matter is contained in Departmental File 1593, Ref. 3, and is connected with the claim by a man, S. W. Hatt, Liverpool, N.S. for hire of the tug *Mersey*.

Q. Let me see the correspondence. Mr. Hatt claimed that Graham had hired from him the tug boat *Mersey* for use in connection with one of the dredges? A. Exactly.

Q. And said on December 19, that there was this $3,040 for hire from July to October, 1910, and he accompanied his letter at that time by a statement of the circumstances. A. Exactly.

Q. On December 30, 1910, you asked Graham to give explanations? A. Exactly.

Q. On February 3 you had to ask Graham to reply to your previous letter? A. Yes.

Q. Then on February 18 you wrote again requesting a reply? A. Yes, that is one of the things, I never get a reply from him.

Q. Receiving no reply, he was ordered to come to Ottawa? A. Yes.

Q. On 27th February the deputy minister wired again complaining that he had received no reply to his telegram of the 20th, and Graham had not yet arrived in Ottawa? A. Exactly.

Q. On March 2, Graham replied that illness had prevented him travelling? A. He says he will be there next day, or something like that.

Q. He expected to leave the next night for Ottawa? A. Yes.

Q. On 8th March, Mr. Hunter wired to know why he had not arrived in Ottawa? A. Yes.

Q. On 11th March, Graham replied that he was still confined to the house through illness? A. Yes.

Q. On 23rd March the deputy minister wired to know if he was still too ill to come? A. Yes.

Q. And the deputy minister also wrote him on that same date asking for a written statement in reply to the claim made by Mr. Hatt? A. Yes.

Q. On 30th March, Graham said he had wired, he had forwarded a file report and that he would come to Ottawa? A. What date, please?

Q. 30th March? A. I think that never came here, he has done that occasionally.

Q. On 10th April, the deputy minister wired to Graham that no reports had been received? A. Yes.

Q. And that no further evasions would be permitted? A. Yes.

Q. On 10th April, Graham replied by wire that he mailed a file report on March 30, and was mailing a registered copy. A report dated March 30, was received by registered letter, posted at North Sydney on April 18, 1911? A. That envelope was put there by Mr. Hunter. I think he wanted to see that Graham had done that. I think it is not customary to put envelopes like that in, but that was put there for a certain purpose.

Q. In that report Mr. Graham, after setting forth his relation of the circumstances wound up by saying that Hatt was not entitled to payment. A. Yes, and we wrote in consequence of that.

Q. In consequence a letter was sent by the deputy minister to Hatt asking for his comments on the report made by Graham? A. Yes, and we moved him away.

Q. In consequence of reports as to Mr. Graham's habits, it was thought proper to remove him from Pictou to North Sydney. A. Yes.

Q. Subsequently he was told that he might go to New Glasgow instead of Sydney if he would prefer it. Which did he do? A. He went to New Glasgow.

Q. On 26th April, Hatt replied asserting that Graham had verbally contracted with him for his tug despite any assertions to the contrary that Graham might make? A. Yes.

Q. And on 19th May, the deputy minister reported to the minister that he did not see how anything could be paid to Mr. Hatt? A. Yes.

Q. On June 28th, W. P. Perney, barrister, acting for Hatt wrote to the minister claiming payment, and the minister replied that if Hatt desired he might take proceedings in the Exchequer Court? A. Yes.

Q. Then on 27th September, Graham was ordered to come to Ottawa with all the papers re the Hatt claim. He replied on the 28th September that he would leave in the morning. A. He did come up here.

Q. And he did come to Ottawa? A. Yes.

Q. Hatt also came to Ottawa? A. Hatt came also.

Q. And they both met in your office? A. They both met in my office. I took up Hatt's original claim, his relation of the whole circumstances in which he goes into the matter again, and the first letter of all relating all the circumstances.

Q. You took up the correspondence? A. And I read Hatt's two letters, I discussed the matter with Hatt first. Hatt told me briefly that the circumstances were as related in his letter. Then I saw Graham alone, and I asked Graham about Hatt's statements. I am not sure whether I saw Graham alone, but Hatt and Graham were together.

Q. You saw Graham and talked it over, and then Hatt and Graham together? A. Exactly.

Q. You made a report as a result to the deputy minister in which you set out what had taken place? A. Exactly.

Q. And in that report you say that Graham was not prepared to contradict any of the statements made by Hatt in his correspondence? A. Yes.

Q. And furthermore, that Graham was of opinion that Hatt's letters contained a true statement of the actual circumstances connected with a verbal agreement to hire the tug *Mersey* at the rate of $400 a day? A. Exactly.

Q. And that Hatt was continually kept under the impression that eventually he would be instructed as to the particular work the tug would be put to? A. Yes.

Q. Your letter concludes with the statement that Mr. Graham is now of the opinion that his actions in connection with this matter imply an obligation on the department to fulfil the conditions of a verbal agreement to hire the tug *Mersey* for the sum of $400 a day? A. Yes.

Q. That is certified correct "G. M. Graham". A. Yes.

Q. Was that read over by him? A. That was given to Graham before it was signed by myself.

Q. Yes? A. And he was asked if that was a correct statement, and he was also told at the same time not to sign that unless he was prepared to sign it.

Q. Yes? A. I may say the idea in obtaining a statement like that, a signed statement like that, from Graham, was on account of his first report to the effect that the man was not entitled to that payment.

Q. In other words, in consequence of his change of base in the matter? A. Exactly. I could have asked Graham to make a report, but in view of his first report I thought this report of mine was a relation of the true narrative of what had taken place, and I wanted him to sign it.

Q. Following upon that report, the sum of $3,040 was paid by cheque to Mr. Hatt? A. Yes.

Q. The payment of the claim authorized being approved by Mr. Pugsley, the Minister? A. Yes, I may say that personally I went into the claim myself as to its fairness.

Q. All the facts are set out in the correspondence, the facts set out by Mr. Hatt and adopted by Mr. Graham afterwards in spite of his previous denial? A. I may say that Mr. Hatt produced original correspondence between himself and Mr. Graham which he refers to in his statement.

Q. Proving the correctness of his assertions in that particular? A. Exactly.

Q. Hatt's statement of claim then amounted to this, Graham had come to Liverpool on July 21, 1910. He had inquired whether he could get a shoal draft powerful tug boat? A. Yes.

Q. Graham asked Hatt if he would let his boat go to the Little Bras d'Or? A. Yes.

Q. Later a bargain was made between Graham and Hatt for the tug boat at $40 per day? A. Yes.

Q. The boat to be got ready to leave? A. Yes.

Q. And Graham to be wired when she was sailing? A. Yes.

Q. Hatt procured another boat instead of the *Mersey* to do his own work? A. Yes.

Q. And on July 25 wired Graham that the *Mersey* "sails for Little Bras d'Or to-morrow, tug *L* taking her place"? A. Yes.

Q. The same day Graham answered, "Await my letter before doing anything"? A. Yes.

Q. On July 26 Graham wired again, "do not allow *Mersey* to proceed until receipt of my letter"? A. Yes.

Q. Then followed certain correspondence between Graham and Hatt? A. Yes.

Q. On August 5, Hatt went to Sydney to find Graham who told him that he would be paid for his boat? A. Yes.

Q. Further correspondence ensued, to which Graham did not reply, and on October 3, Graham wired to Hatt, "Will wire you instructions to-morrow re the *Mersey*"? A. Yes.

Q. No further instructions were received from Graham, nor did he answer either of the telegrams from Hatt. That is the effect of Hatt's letter? A. Yes.

Q. And that you say was admitted by Graham to be true? A. Absolutely.

Q. Now it follows of course that the *Mersey* was not used for the government service? A. It was not used.

Q. And $3,040 was entirely wasted? A. Yes. I was particular in ascertaining if the tug *Mersey* had been used by Hatt or any person else in the maritime provinces, and I found out that the boat was never used.

Q. She was lying on the wharf waiting instructions during all that time? A. Exactly.

Q. How did it come that Mr. Graham had the authority to employ tug boats? A. 1910, that was before I became—

Q. I am only asking what you know? A. Graham has authority to employ tug boats providing they are required, and providing the price is right.

Q. Is he a judge of requirements? Is he authorized to be the judge of requirements? A. His position implies that he should be the judge of requirements, but I do not believe he is.

Q. Well he might be a judge of requirements of a temporary nature, but surely it would not be according to the practice of your department to allow even the local superintendent to hire a tug boat for a long period of time without previous instructions from the department? A. Not without previous instructions.

Q. For instance, if a superintendent thought that a tug boat was needed he would have to advise either the general superintendent or yourself and get some authority, wouldn't he? A. Oh yes, absolutely. When you were referring to the superintendent being a judge of requirements, the superintendent is a judge or should be a judge as to whether a boat is required or not, and then again he should be a judge as to whether a boat is suitable or not.

Q. But he should not hire on his own judgment? A. He should not hire on his own judgment.

Q. Do you know in this case if he had ever been authorized by any higher authority to hire a boat at all? A. I could not say.

Q. Or whether this was solely off his own bat, so to speak? A. I could not say.

Q. I will ask you now to have the correspondence on the other side of this looked up to see whether Mr. Graham had ever been told by anybody to hire a boat. Now having wasted $3,000 in that way by making a contract that was without authority, and by failing to answer correspondence and to do anything with the matter, did you report that Mr. Graham should be discharged? A. I have reported on numerous occasions always verbally that Mr. Graham was not an efficient officer.

Q. I just want to know as a matter of fact whether, when this culminated in his statement before you, which he certified, and upon which $3,000 were lost, you did there and then recommend that he should be dismissed? A. Yes, and I may say further than that that one of the principal reasons of the wording of that letter and having it signed by them in that way was to bring to the attention of the department in a way that they could not neglect to consider Graham's efficiency.

Q. To whom did you report? A. The deputy minister.

Q. So far as you know all the surrounding circumstances of this, was it inexcusable neglect and blundering upon the part of Graham? A. Yes.

Q. I mean to say, can you offer any excuse for his blundering, or any explanation of it? A. I do not see the reason for it.

Q. You have not any reason to suppose that he was driven into this conduct by anybody, or that anybody else is to blame for it? A. No, absolutely. Certainly Mr. Graham never insinuated or led me to believe that he did anything else but use his own discretion in that matter.

Q. Now I notice that all through this correspondence this Mr. Hatt resided at Liverpool which is in the constituency of Queens-Shelburne which was represented by Mr. Fielding, the late Minister of Finance, and there are several letters on file from Mr. Fielding to the minister drawing his attention from time to time to Mr. Hatt's claim. Mr. Fielding on September 26 said that Hatt had represented his claim to him, that he had asked Graham to meet him at Halifax, but that he had not turned up, and that from the statements made to Mr. Fielding by Mr. Hatt he was under the impression that Graham had made an error. Mr. Fielding wound up his letter by suggesting that Graham should be peremptorily summoned to Ottawa immediately for the purpose of discussing the matter with the Minister of Public Works, and that Mr. Hatt should be informed that he might also come here and have the matter threshed out.

Mr. LAKE.—What is the date?

The CHAIRMAN.—September 26, 1911.

By the Chairman:

Q. That was just five days after the general election. Do you know whether Mr. Hatt and Mr. Graham, or either of them, saw Mr. Fielding here when they came that last time? A. They never mentioned it to me, and I have no knowledge that they did.

Q. And Mr. Fielding never spoke to you about it? A. He never spoke to me about it.

Q. While you have given these isolated instances of Mr. Graham's conduct, your remarks as to his habits, the information you had received, and to his generally un-

satisfactory discharge of his duties were of general application, were they not? A. Yes, sir.

Q. His whole course of conduct, so far as you have been called to notice it, has been unsatisfactory to you? A. His conduct has been unsatisfactory, yes, sir. There has been a great deal of difficulty occasionally in getting him to answer correspondence promptly.

Q. Have you any more evidence bearing on him? A. Here is a case in point where he has been written to and wired to a number of times and we could not get replies from him.

Q. On January 4, 1912, you asked him to send a report giving full explanations why certain instructions given by you were not followed, and how it came about that he had expended more up to this date than the amount he had asked for a full twelve months. That was in connection with dredge, vessel, repairs for the fiscal year 1911-12. A. Yes, sir.

Q. He had been told of an allowance of $20,360 for that purpose, but you were advised that $28,733 had so far been paid for repairs done under Graham's charge? A. Yes. I just want to say that we could not get a reply from him. That over expenditure is another part of it.

Q. There was an over expenditure? A. Yes.

Q. Did he give a satisfactory reply for that over expenditure, satisfactory to you, I mean? A. Yes, eventually I got it from Scovil.

Q. But not from Mr. Graham himself? A. I am not sure of that.

Q. Well, did you find great difficulty in getting replies from him? A. Yes.

Q. On January 17, you complained that lettergrams sent by you on the 4th and 5th inst. were still unanswered? A. Yes.

Q. On January 23 you have to ask again for answers to your lettergrams of the 4th and 5th, the same ones again? A. Yes.

Q. And on the 27th you have to wire for an answer? A. Yes.

Q. And on the 29th he replies that he has been laid up for some time? A. Yes.

Q. You never got any explanation as to what laid him up? A. No.

Q. You give this as an instance as typical of his conduct? A. Yes, the gist of it is that periodically there was the greatest difficulty in obtaining any answers to correspondence.

Q. And failure to reply to correspondence is very disconcerting? A. Very, indeed.

Q. It hangs up very important work frequently? A. Yes.

Q. It is very important for you to have your superintendent's answer promptly? A. Yes, sir.

Q. In fact, can effective work be carried on in that department where the dredges are such a distance away unless your superintendents are absolutely prompt in answering? A. By no means.

Q. Have you anything more bearing on Mr. Graham? A. I do not think so.

By Mr. Lake:

Q. Is Mr. Graham responsible to Mr. Scovil? A. Mr. Graham is not answerable to Mr. Scovil, he acts independently of him and under instructions from Ottawa.

By the Chairman:

Q. In the first place Mr. Scovil is the superintendent at St. John? A. Yes

Q. And he has authority over New Brunswick and Prince Edward Island? A. Yes, sir.

Q. He has a staff at St. John in the office? A. Yes, sir.

Q. And at that office all accounts for all the maritime provinces are paid? A. Yes, sir.

Q. Those from Nova Scotia would have to be certified to by Mr. Graham before payment? A. Yes, sir.

Q. But in regard to Prince Edward Island and New Brunswick Mr. Scovil would himself be the certifying officer? A. Yes, sir.

Q. Well then, he has authority as local superintendent, under instructions from Ottawa, to hire officers and men? A. Yes, sir.

Q. To purchase supplies? A. Yes, sir.

Q. To make contracts for tugs? A. Yes, sir.

By Mr. Lake:

Q. And order repairs? A. Yes, sir.

By the Chairman:

Q. And generally to control the movement of the dregdes? A. Always under instructions from headquarters.

Q. The position is therefore a very responsible one? A. Very responsible indeed.

Q. He receives a letter of credit from the accountant's office here in order to pay bills down there? A. Yes, sir.

Q. And he accounts to the accountant's office here, I understand, once in twelve months for his credit? A. Yes, sir.

Q. His certified bills when paid are sent along to the dredging branch here I presume? A. Yes, sir.

Q. How often is that done? A. That is done every two or three months.

Q. And the result of that system is that the branch here is not closer in touch with what goes on down there? A. No, sir.

Q. It has to rely on the discretion and good judgment and ability of its local superintendent? A. Yes, sir.

Q. To a very large extent? A. Yes, sir.

Q. Has Mr. Scovil, the present incumbent, proven himself to be an efficient officer, in your judgment, in the discharge of those duties? A. No, sir.

Q. What would you say are these disqualifications he has shown? A. The principal disqualification in my mind is that he is a man who has had no experience in dredging matters, with dredges, or any mechanical ability whatever, and in my mind such experience and ability are absolutely necessary. This lack of experience and ability on his part is shown in very much of the correspondence. The attempts on the part of headquarters to introduce changes did not seem to have been met by Mr. Scovil. Very often it is noticeable in the correspondence, he refers to having consulted with his captains regarding these measures, whereas in my mind he is the man who should have had definite conclusions himself. I may say that in the early spring of 1911, a serious attempt on my part was made to introduce a number of changes. Some of these regarding over manning of crews and a new system of sustenance on the maritime province dredges, introducing the same system as has obtained in Ontario and Quebec were mentioned in various letters and instructions were given regarding repairs, but very little satisfaction was obtained from Mr. Scovil in answer to my letters, which proved conclusively to me that he was not able to handle those matters.

Q. Would you say that he has executive capacity? A. I do not consider that Mr. Scovil has executive capacity sufficient to handle the position he has at present.

Q. Does he show firmness? A. Absolutely no, that is one of the principal sources of complaint.

Q. May I gather from your remarks that he does not show a willingness and readiness to carry out your instructions?—A. I would not say it is any unwillingness on his part, I attribute it more to lack of firmness in his character.

Q. To timidity?—A. To timidity, exactly.

Q. Some time ago you mentioned that you gave instructions concerning the giving out of contracts for repairs for the dredges?—A. Yes.

Q. Those would be winter repairs, I presume for the fleet? A. Winter repairs. One of the greatest defects that we have found in the past in connection with repairs to the dredging plant has been the giving of repairs without properly drawn up specifications, and obtaining fixed sums.

Q. Either by tender or by competitive prices? A. Yes, and the result of the former system was that when bills came in for work, in very many cases they were excessive.

Q. That lack of system would imply that once the job was given to a repairer he could almost charge any price he liked? A. Exactly.

Q. There would be very little means of checking him? A. And eventually if bills were not certified to by the proper parties it led to endless letter writing on the subject. This old system in my mind accounts for the over expenditure on dredge vessel, repairs that is mentioned in much of the correspondence.

Q. With regard to the major repairs, especially those which have to be made at the end of a season's work, and are considerable in their character, it would be possible to have a specification made of these, would it not? A. We have had no trouble, absolutely in every case in Ontario and Quebec this last winter in having a proper survey made of the repairs necessary and specifications drawn up, and we have eventually obtained a bulk sum offer for those repairs. To my mind the system is far preferable to letting a certain person come in and do these repairs without any fixed sum.

Q. I ask the question because objection has been made to me that in connection with repairs it is impossible to define them beforehand, and that the best you can do is to put a ship into the hands of the repairer and say, "Now repair"? A. I mentioned a little while ago the difficulty of estimating all the repairs, but in my mind, notwithstanding that difficulty, it is far better to have an estimate made at least of all you think is required.

Q. And if in the course of repairing these it becomes necessary to do something extra, a proper authority should authorize these? A. Exactly.

Q. And a proper price should be put upon that? A. Exactly, it very often happens that extras are required, no matter how careful you are.

Q. Just as in house building? A. Exactly.

Q. At the end of the season it is always apparent that a dredge vessel requires painting, that she will require, if she is a wooden vessel, some of her planking replaced, if an iron vessel some of her plates. There are certain things that have to be done by machinery, all of which could be specified? A. Yes, every dredge and tug requires a certain amount of repairs at the end of a season. It is variously estimated at between five and seven per cent.

Q. Did you instruct Mr. Scovil to have this done with reference to vessels under his jurisdiction? A. Mr. Scovil was instructed in connection with all repairs that were required on dredging plant under his jurisdiction to have a proper survey and examination made and specification of the necessary repairs, and to obtain offers from all parties who were in a position to make these repairs, and to give the repairs to the lowest tenderer.

Q. Did he do so? A. I was informed by Mr. McMurray on a recent visit here that it had not been done.

Q. Who is Mr. McMurray? A. An inspector of dredges under Mr. Scovil's jurisdiction. On March 4, I wrote Mr. Scovil asking him if he had followed my instructions calling for offers for repairs in all cases and had awarded them to the lowest tenderer, and if in the event of the instructions not having been carried out I asked him to inform me what he had done. His reply showed me that these instructions have not been followed (reply produced).

Q. His reply was dated March 11, 1912, and I notice that Mr. Scovil says: "Tenders have not been asked for any of the repair work except for the moving of

the steering gear on the tug *Canso* which work was given to the lowest tenderer." and then he goes on to say that the repairs on the three tugs were given to three separate parties by instructions from the Hon. Mr. Hazen. He adds, "We tried to get offers for the repairs, but as there was to be no objection, and the different parties were aware of it, we could not obtain prices. They claimed that they had the work to do and were going to do it. Mr. Scovil means, I presume that when he tried to get offers, these parties had already been informed by somebody that they were to get the work? A. Presumably.

Q. That is what you understand by it? A. Exactly.

Q. Then he goes on to say this: "The man having the repair work on the *Fielding* don't want our engineers or men to do anything. They claim the right to do everything that has to be done in the ship, all the repairs. If they had their way, it would have been a very expensive job. It will be bad enough as it is." You of course do not know anything about this reference to the Hon. Mr. Hazen? A. Nothing whatever.

The CHAIRMAN: I have asked the Hon. Mr. Hazen about the matter to which reference is made coupled with his name, and he informs me that Mr. Scovil asked him on one occasion to whom he should send to have repairs done, not mentioning to him that he had received instructions in reference to the matter from Mr. Dufresne or any other person, and that he (Mr. Hazen), supposing that he was being asked in the ordinary course, mentioned the names of certain parties to whom repairs could be given out. He added that nothing could be further from his desire than to interfere in any way with any instructions and he would not have replied to Mr. Scovil as he did if he had known anything about instructions, or if Mr. Scovil had not approached him with a direct question.

By the Chairman:

Q. Now do you know with reference to this last statement made by Mr. Scovil as to the claim of those persons repairing the *Fielding* that the engineers and men of the dredge should not be employed—do you know what has been the outcome of that, whether the engineers and men employed or not? A. No, sir.

Q. Have you written to inquire about that, or has the matter escaped your observation? A. The matter has not escaped me, but candidly, for some time I have felt that very little useful work can be done down there under present conditions.

Q. You say that you have not asked Mr. Scovil about this matter yet because of a certain amount of discouragement in your mind? A. Exactly.

Q. From difficulties in getting your instructions obeyed? A. I have found that very few instructions sent down there are carried out to the letter.

The CHAIRMAN—Right here I would ask you to immediately write to Mr. Scovil concerning this letter, and ask him in the first place whether he informed the Hon. Mr. Hazen of the instructions which he had received, whether at the time he spoke to Mr. Hazen he informed Mr. Hazen of the instructions he had received from you, whether he had received instructions from you to obtain tenders or offers, and secondly with reference to the work of the engineers and men of the *Fielding*, whether they conducted the work.

WITNESS.—I have a considerable amount of correspondence here which illustrates the difficulties I have met with from Mr. Scovil. In Ontario and Quebec the crews of dredges are boarded by the cooks or captains who receive a regular per diem allowance of 50 cents per man. The system operates with absolute satisfaction and relieves the department of considerable trouble. As long ago as the 24th November, 1910, I, wrote to Messrs. Scovil and Graham telling them to arrange to establish this system in the maritime provinces. It has never been arranged, it has never been put into force. On January 18 last I wrote to Messrs. Scovil and Graham again about this matter. Mr. Graham has replied that he thinks it could be put into force satisfactorily.

Mr. Scovil answers that he has taken the matter up with the captains and cooks here and cannot get any of them to undertake to supply. If it could be arranged it would do away with considerable work in the office here. He says that the captain of the stone elevator No. 1 supplies his crew and is paid at the rate of 50 cents per man per day, and he closes his letter by saying, "I am of the opinion it will be hard to get the change made on some of our boats. If you decide to make the change and allow the 50 cents per man I will do the best I can."

By the Chairman:

Q. In your letter dated 18th of January you had given him a direct order to establish this system? A. Yes, sir.

Q. And you did not leave it to his discretion at all? A. No sir.

Q. And you say that in view of his methods of correspondence you took his letter to mean the usual thing, that he is not endeavouring to carry out your orders? A. Yes, sir.

Q. That is the spirit in which you find his correspondence couched? A. Yes, sir.

Q. On 15th of February you wrote to Mr. Scovil saying that in looking over a list of crews empolyed during the last season in every case the plant was over manned, and you therefore instructed him to fix the strength of the crews for the coming season so that absolutely no more men than were actually required should be employed. Under date 23rd February, 1912, he replied that he had consulted the captains of our boats with reference to the number of men employed, and with no exceptions they claimed it was impossible to take kreater care of their boats and do their work with less men. He appears by that letter not to state his own opinion about the matter, but merely the claim of the captains? A. Yes sir. After receipt of that letter of his, the matter was not referred again to Mr. Scovil. We took the thing into our hands in Ottawa, and we fixed what we considered the proper working strength of the crews.

Q. It was considerably less than last year? A. A great deal less notwithstanding Mr. Scovil's reply.

Q. Had peremptory orders gone to him to put those smaller crews in charge? A. Yes, sir.

Q. Are you satisfied from your knowledge and experience that the smaller crews are quite enough for the vessels? A. I am of opinion that the crews that have been fixed will do all that is required, but my idea was that if it is proved to us on good evidence that they are not sufficient we can add to their strength. There is absolutely no doubt in my mind that the crews in the maritime provinces are greatly overmanned, especially those under Mr. Scovil's direct observation in St. John.

Q. Have you ever received any suggestions or recommendations from Mr. Scovil on his own initiative to cut down the size of the crews? A. I have not any recollection of any suggestion coming from Mr. Scovil to cut down any crew, and I do not think he ever made any such suggestion.

Q. Have the crews at St. John been particularly large? A. Yes, in my opinion they have been particularly large.

Q. In his letter of 23rd February, 1912, where he refers to certain cuts that can be made, he is merely answering your previous direction in the matter? A. Exactly.

Q. He there admits that certain crews can be reduced? A. Yes, sir.

Q. He was responsible for that larger strength in the past, wasn't he? As the local superintendent he was responsible for the larger strength? A. I would say, yes.

Q. Can there be any question about his theoretical responsibility? A. I can say positively I have never had any letter that I can recollect from Mr. Scovil in which he mentions over manning.

Q. Or made any objection? A. Or made any objection.

Q. Or made any suggestions to reduce them? A. Or made any suggestions to reduce them.

By Mr. Lake:

Q. If he had been anxious about new methods to bring about economy he would not have forgotten? A. No, moreover I would expect to hear from him in these matters.

Q. You have come to the conclusion that there are certain defects in the system in the maritime provinces which tend to extravagance and inefficiency, and have decided upon instituting certain reforms, and you are of opinion from the correspondence of Mr. Scovil that he is not a man capable of carrying out these reforms or anxious to do so? A. Yes, sir.

Q. If reforms are to be carried out in the maritime provinces, and there is to be efficiency and economy, you are of opinion that it is absolutely necessary that Messrs. Graham and Scovil should be removed, and that the superintendent or superintendents there should be prepared to carry out your instructions without question? A. Yes, sir.

By the Chairman:

Q. Don't you think that one general local superintendent for the maritime provinces would be sufficient? A. If you get the proper man, a man with proper experience and qualifications, it is my opinion that it is preferable to have only one superintendent for the maritime provinces.

Q. It would avoid confusion? A. Exactly.

Q. And make a better use of the fleet as it is? A. Yes, sir, and have better control over expenditures.

Q. You could enforce more uniform regulations both with regard to expenditures and to the crews? A. Yes, sir, and we could hold one man responsible.

Q. It would reduce the amount of correspondence very largely from headquarters? A. Considerably.

Q. And that one man would have much greater control over the expenditure? A. Yes, sir.

Q. Then again, having all the boats in the maritime provinces under his control he might be able to make a more economical disposition, a more effective disposition of them from time to time? A. Yes, sir.

Q. In addition to superintendents, how many inspectors are there in the maritime provinces? A. We have two inspectors at present. Up to two months ago we had only one. Another one has been appointed lately for Prince Edward Island.

Q. He has only got two small dredges? A. There are three dredges at Prince Edward Island.

Q. They are all small? A. Not all small, one of them is a pretty fair size.

Q. What are the three? A. The *Montague*, the *Prince Edward* and the *Pownall.*

Q. How many dredges are there in Nova Scotia? A. The *Canada,* the *Cape Breton,* the *George McKenzie* and the *Northumberland.*

Q. These four are in Nova Scotia? A. Yes.

Q. Is there a tug attached to each of these four? A. Mr. McMurray told me that we had three tugs in Cape Breton and only one is required. Another thing about Scovil is I have always maintained that two tugs are sufficient for the dredge *Fielding* at St. John and we have three. McMurray confirms my opinion on the matter.

Q. And in addition to the three tugs didn't they employ another last year? A. They hired one.

Q. You say that two are enough? A. Yes.

Q. How many dredges are there in New Brunswick? A. There is the *St. Lawrence,* the *Restigouche* and the *Fielding.*

Q. Would it not be more effective and useful if the inspectors were attached to the offices at St. John, New Brunswick, and were useable wherever they were sent to in the jurisdiction instead of having a man merely confined to Prince Edward Island? A. I think it would be preferable to having one man because it would give them more valuable knowledge in seeing other dredges.

Q. There might be occasions when the man in Prince Edward Island would have little or nothing to do and when he could be doing something in another part of the jurisdiction, and if he was a competent man he would always be useful. A. Yes, sir.

Q. So a centralized office would be an improvement? A. No doubt.

Q. I presume upon the whole, especially having regard to the important works going on at St. John harbour, that St. John would be the most convenient place? A. I think St. John would be a most convenient place. We have only one dredge there, it is true, but it is the largest dredge.

Q. It is not difficult to get from St. John to the dredging in Nova Scotia or Prince Edward Island? It is a fairly central place from which to move. From the same place you could control the Bay of Fundy and the west coast of Nova Scotia? A. Geographically it does not appear to be so central, but I have always had in my mind that St. John should be a central office.

Q. Are you personally familiar with the localities down there? A. Not very. I have been in St. John only once. One of my greatest difficulties since I have been in Ottawa is that I have not been able to get away.

Q. From St. John you can take the steamer across to Nova Scotia, and in that way you would have the Bay of Fundy pretty close on touch. You can get anywhere on the western end of Nova Scotia from St. John and you can reach Prince Edward Island very easily from Point du Chene. The most important dredging operations which are now taking place in the maritime provinces are in the harbour of St. John? A. Yes, sir.

Q. Is it the intention to keep the *Fielding* there this year? A. The *Fielding* will be there this year and in all likelihood for a number of years.

Q. Has the Courtenay bay dredging begun yet? A. No, sir.

Q. The existing contracts with the Maritime Dredging and Construction Company contains an obligation on their part to undertake Courtenay bay if required. Are you aware of that? A. I knew that was the original intention, but I believe I am right when I say that the contract which was let recently to Norton Griffiths includes the dredging.

By Mr. Lake:

Q. Has the dredging on the Beacon Bar been more difficult than the dredging which the *Fielding* has performed in the harbour of St. John? A. No, the *Fielding's* work is much more difficult.

By the Chairman:

Q. Why? A. She is working in very deep water and with hard pan and boulders very often.

Q. The *Fielding* is both a suction dredge and an elevator dredge? A. Yes, but she has never been used as a suction dredge. I may say that in England they call them suction dredges and in America hydraulic dredges.

Q. This part of the *Fielding* has never been used? A. No, sir.

Q. It is an elevator dredge? A. Yes, sir.

Q. The elevator system is by buckets on an endless chain? A. Yes, sir.

Q. Which goes to the bottom and comes up through the centre of the boat? A. Through a centre well.

Q. And where does the spoil drop? A. It is deposited in a chute.

Q. From which it runs into scows? A. From which it runs into scows.

Q. Would that class of dredging be possible wherever suction dredging was possible? A. Yes, sir.

Q. Provided the water was deep enough for the dredge to get over it? A. Yes, sir.

Q. In shallow water a suction dredge could be used even where the dredge could not get directly over the spoil to be dredged by putting her suction pipe out on the side? A. Yes, that is the case.

Q. On an elevator dredge you must always, before your dredging begins, have the water deep enough? A. Not necessarily, there are various types.

Q. Take the *Fielding*? A. The *Fielding* could not cut her own flotation. She must have sufficient draught of water to dredge in, but we have a type of elevator dredge in British Columbia which has the well in the centre extending right out to the bow, and the bucket ladder will move through the bow and cut its own flotation.

Q. So you can go right ahead and into a bank if necessary? A. Exactly.

By Mr. Lake:

Q. In the report of the Department of Public Works, page 288, there is a statement of the dredging done by the various government dredges in the maritime provinces. It is there stated that the *Fielding* dredged last year at a cost of $18.19 per cubic yard? A. Yes.

Q. Can you tell me what that cost is calculated upon? A. That cost is calculated, I presume, on the wages and repairs. That dredge cost over $600,000., and while I made the statement a little while ago that I thought that the dredging by the *Fielding* was more than the Beacon Bar dredging I think it can be established. If you take capital charges and interest and everything it will be considerable.

The CHAIRMAN.—With reference to your statement that the cost of dredging by the *Fielding* is greater than the price paid the contractors for dredging the Beacon Bar at St. John, please prepare a little memo. of your calculation.

By the Chairman:

Q. Some movement has been made in the department to employ Mr. J. H. Schwitzer as mechanical engineer in the dredging branch? A. Yes, sir.

Q. What has been done? A. I understand that the minister has decided to recommend or to make his appointment.

Q. Mr. Schwitzer is a mechanical engineer by profession? A. Yes, sir.

Q. And has considerable experience? A. Yes, sir.

Q. Is it intended that the actual scope of his duties shall be that of general superintendence of departmental dredges? A. Eventually, yes.

Q. Do you mean to say that he shall in reality, not theoretically, but at the outset be subordinate to the present superintendent? A. Not by any means subordinate.

Q. The general superintendent is at present ill and absent from duty? A. Yes, sir.

Q. Do you understand that he is not entitled under law to a superannuation allowance? A. He is not entitled.

Q. And in the past he has been considered to be a useful official? A. Yes, sir.

Q. He is about 73 years of age? A. Yes, sir.

Q. And of course great difficulty is felt in removing him without a superannuation allowance? A. Exactly.

Q. If it was not for that difficulty you would recommend that Mr. Schwitzer be made general superintendent? A. I believe that Mr. Schwitzer is a fully qualified man, and my idea is that he should become general superintendent, but he is not being appointed as general superintendent because of the difficulties referred to.

Witness retired.

The Commission then adjourned.

THURSDAY, March 21, 1912.

PRESENT.

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A. R. DUFRESNE, (recalled):

By the Chairman:

Q. I asked you yesterday concerning the authority of the local superintendent to enter into contracts. I should like to get your view a little more fully on that. Do you know whether the department has in any formal way defined the duties of local superintendents? A. I presume that when Mr. Graham and Mr. Scovil were appointed a certain definition of their duties was established. You asked me to get you that information. I have not been able to obtain it yet as it was not until half past twelve that I received the request and I was called away, but I am getting it. Personally I know that on several occasions I have taken pains in letters referring to other subjects to define those duties. I have a distinct recollection, as it appeared to me, that Mr. Scovil in particular did not know his duties, and I took pains to point this out, and to tell him that he was absolutely responsible for the operation and maintenance of the dredges under his control. Occasionally the question has come up also in connection with our district engineers, who did not seem to know the proper definition of their duties or of the local superintendents duties. There has been more or less trouble on that score, so a line was drawn that a district engineer was concerned only with the work that was required and with the laying out of the work, and the superintendent of dredging was responsible for sending the dredge there and seeing that the work was properly performed.

Q. How long has Mr. Scovil held his office? A. Mr. Scovil was appointed on April 28, 1909.

Q. Do you know how old a man he is? A. No.

Q. You do not know what his previous occupation had been? A. No, sir.

Q. When was Mr. Graham appointed? A. I am not sure of the date of Mr. Graham's appointment.

Q. About when? A. It must have been shortly subsequent to Mr. Scovil's appointment.

Q. Prior to that do you know who had been superintendent? A. A Mr. McMurdock.

Q. For the whole of the maritime provinces? A. For the whole maritime provinces, for a number of years. He died.

Q. What is the name of the new inspector who was appointed for Prince Edward Island? A. John McDonald.

Q. Of where? A. Whim Road Cross.

Q. How long is it since he was appointed? A. He was appointed about two months ago.

Q. About two months ago? A. Yes.

Q. You do not know his age? A. No, sir.

Q. Or his previous qualifications? A. He was written to, and informed us that he had been in charge of one of our dredges prior to 1896.

Q. I was asking you about the authority given to local superintendents for this reason, I wanted to find out to what extent a local superintendent could legally bind the department. That in law would depend on two things, first whether he had particular instructions in the special matter; in the second place, to what extent, if there were no particular instructions, he was generally held out by the department to be its agent for such a purpose. Consequently, I wanted to know what was the general authority given to local superintendents. You see it is very important for you to ascertain that now. Take for instance the case given to us yesterday by you: Mr. Graham entered into a contract which cost the department over $3,000. The question arises whether that was wholly an excess of authority, or whether he had general or special instructions that would cover such an action? A. I have not been able to ascertain definitely what the original instructions were as to their jurisdiction in these matters. As I said before, we are looking for that. But to a greater or less extent there has always been an attempt to keep in fairly close touch with work of that nature.

Q. In so serious a matter as the chartering of a steamer, involving a considerable amount of money, it would not be the practice of your department for a local superintendent to make such a charter without special authority? A. No, and it was never intended either. As much as possible they are written to, and they are asked to get offers. We suggest names to them of tugs or tug owners who have tugs for hire, and they are always told to get offers and submit them.

Q. But even when they act without authority, if persons enter into arrangements with them in good faith, it puts the department in a very awkward position, doesn't it? A. Yes.

Q. And an official doing that without authority should be dismissed? A. I would not go so far as to say that, because not knowing exactly, it might be quite possible that Mr. Graham has to some extent had the impression that he had that latitude.

Q. I said without authority, that an official doing it without authority should be dismissed. Can you imagine a case in which an officer ought to be retained who had made a contract under such circumstances as were reviewed here, pledging the department to a large expenditure of money without any express authority or pressing emergency? A. I recognize fully that it was absolutely wrong for him to have done so, but possibly the man may have misunderstood how far he could go in the matter.

Q. You are only suggesting that possibilities are always possibilities? A. Well, not exactly.

Q. Can you give us any reason to suppose that he may have misunderstood? A. He may have presumed.

Q. I know he may; you are merely stating a possibility. Have you any reason for suggesting that he may have misunderstood? A. Have I any reason?

Q. Have you any particular reason for suggesting that he may have misunderstood his power? A. No, except——

Q. Except that all things are possible? A. No, just at the present time I am not sure of Mr. Graham's or Mr. Scovil's duties having been very fairly defined. I have not had occasion to look up the original appointment defining his duties.

Q. Well, I won't press you any further at present, but will ask you to look it up? A. It must be remembered that this transpired long before I came here.

By Mr. Lake:

Q. The arrangement which Mr. Graham made in regard to this tug was quite exceptional wasn't it? A. Yes.

Q. Had he had to hire other tugs? A. In connection with the hiring of tugs, it may be stated that Mr. Howden spent most of his time last year down in the maritime provinces in close connection with Mr. Graham and Mr. Scovil. He was there nearly all the time last year and especially at this time of the year before

operations were started. The department decided to send him there to keep in close touch. He did considerable hiring of tugs down there. I found that Mr. Howden was instrumental in hiring the tugs down at St John.

By the Chairman:

Q. That would be all the more reason why Mr. Graham should not act on his own authority? A. I can say absolutely that Mr. Graham should not have entered into any arrangement regarding the hiring of a tug of that nature without having referred it to headquarters. I look upon such an action as that Hatt affair as overstepping his jurisdiction.

Q. Now that you are more particularly charged with responsibility don't you think that the latitude of these men in entering into certain contracts should be very strictly defined? A. Yes, I do, there should be a certain proper definition.

Q. Very exact and careful in its terms? A. As possible, yes. I believe at the same time that, conceding you have reliable men in a position of that sort, you have to give them considerable latitude.

Q. For instance, in the hiring of a tug, I cannot conceive of an occasion where a tug would have to be hired before telegraphic authority could be received from the department? A. No, they should not be hired that way. Generally, we instruct them in connection with repairs and everything else to obtain offers in writing. I may say in connection with repairs I ask them to obtain offers in writing and give them the latitude to award those repairs to the lowest tenderer.

Q. Generally speaking, with regard to anything except the mere daily obligations that arise, there is no reason why they should not report and receive authority. A. Not in matters of any fair importance.

Q. In other words then, the superintendents of the maritime provinces division should be brought into much closer and more intimate touch with the branch here than they have been? A. Decidedly so.

Q. Now did you bring anything else in particular with you to-day? A. No sir, I have not got anything else here to-day.

Q. You assumed your duties in the latter part of 1910? A. Yes, sir, about October.

Q. And of course too late to effect the work being done that year? A. Yes, sir.

Q. But on December 13, 1910, I find you addressed a long letter to Mr. Howden, the general superintendent, concerning a visit which he proposed to make to St. John? A. Yes, it was decided to send Mr. Howden down at that time.

Q. To investigate the maintenance and operation of the departmental dredging plant in the maritime provinces? A. Yes, sir.

Q. And in that letter you set out several matters which in your opinion required investigation? A. Yes, sir.

Q. You said there was a lack of proper understanding as to what repairs should be done to various dredges, and the manner in which they should be done? A. Yes, sir. Prior to that letter of instructions, Mr. Scovil had been here, I had seen him for the first time. He came up here with that meeting of engineers, and the impression I gained at the time was that perhaps Mr. Scovil was not very competent to look after our dredging plant in a proper way. A discussion took place with the deputy minister, and it was decided to send the general superintendent of dredging to St. John to look into the maintenance of dredges there, and a letter of instructions was given to Mr. Howden bringing up various questions.

Q. For instance, you say that delay has often occurred because repair parts are not kept on board the dredges? A. That matter was brought to my attention on a number of occasions. I found that one of the greatest sources of trouble in connection with the operation of our dredging plant was breakdowns of minor kinds and consequent delays in getting new parts, and the instruction I gave was to have spare

parts as much as possible on the dredges. One particular case in point was the dredge *Northumberland*, which was one of our expensive dredges. I was informed that a delay of six weeks took place a few years ago owing to the blowing out of the gaskets, which cost a couple of dollars each, and it was necessary to go and have new gaskets ordered.

Q. Has that been changed? Has that fault been changed, or does it still continue? A. About the lack of spare parts?

Q. Yes? A. I know I am absolutely certain that in Ontario and Quebec—

Q. I am talking about the maritime provinces. Has it been continued, or does something require to be done? A. My idea is that very little change has taken place.

Q. Another matter you mention is that these scows attending the dredges were too small in your opinion. Has any change been made in that particular? A. We are building scows to remedy that defect now.

Q. It was found to be a defect, was it? A. Yes sir, we sent a couple of 100 yard scows over to Prince Edward Island. The principal trouble over on the island was small scows, and larger scows were sent.

Q. Another thing you said was that in the moving of dredges from one point to the other, great delay sometimes occurred in procuring a tug to tow them, and you advised that a large tug should be available for this purpose. Has such a tug been secured? A. No, sir.

Q. Do you still have the idea that one would be advisable? A. I think so, in fact we are arranging to send a tug from Quebec this spring down there.

Q. To keep her down there? A. To keep her down there.

Q. When she is not moving dredges she will assist in moving scows I suppose? A. For general purposes, yes, and as a result of that I may say too that arrangements were made with the superintendent of telegraphs to use the steamer *Tyrian*.

Q. That arrangement has been made? A. Has been made.

Q. You instanced a case, you say that three tugs have been kept attending on the *Fielding* and that in your opinion two should be able to do the work, leaving one free for towing dredges? A. Yes, sir.

Q. You still remain of that opinion? A. Yes, sir.

Q. You also complain in that letter that sufficient discipline did not obtain on dredges in the maritime provinces, and that you had been told that in many cases work had been stopped to allow of crews going ashore for various purposes. Did you find upon investigation that that was true? A. It was brought to my attention on various occasions that work was stopped Saturday afternoons almost always, and also—

Q. Very often excuses were made? A. I have been told there were picnics and things of that sort.

Q. Do you know of any improvement that has taken place during the last year? A. I am not sure on that point, but I have an impression that no changes have been made in the last year.

Q. When Mr. Howden came back, did he make a verbal or written report to you on this business? A. Mr. Howden reported verbally to me.

Q. Have you had time to make that calculation about the *Fielding*? A. No, I am getting that for Mr. Lake.

Q. Now, I want to talk a little bit about inspection in connection with contract dredging? A. Yes, sir.

Q. The greatest loop-hole for frauds that exists to-day in connection with contract dredging has been in the matter of inspection? A. Yes, sir.

Q. If the inspection is either inefficient or dishonest? A. Yes, sir, it offers too much latitude to men who are not qualified.

Q. In the first place an inspector's position being a temporary one, just for the dredging season, you have to take men who are out of permanent employment? A. Yes, sir, and that is considered one of the greatest disadvantages of the inspection system.

Q. Now don't you think in regard to very large contracts, such as Midland and Victoria harbour, and Fort William and the like, that the inspectors should be permanent men, thoroughly experienced and qualified if possible? A. Yes, sir, and if the dredging has to be done by scow measurement, as it is in some cases, my opinion has been that it is preferable to appoint an engineer as the inspector, or an engineer to supervise the work. My idea in regard to Tiffin, if it is renewed this year on a scow measurement basis, is to have an assistant resident engineer on the ground there all the time.

Q. Who would do all the actual inspection? A. Not actual inspection possibly; he would supervise the inspector's work, and do the actual inspection if possible, if there is only one inspector necessary, or in case of two inspectors being required on the contract he could supervise.

Q. That admits the principle, but having regard to the fact that you have under the present system to pick up men who are out of another job, I am asking whether with regard to dredging work it would not be better to have men who would be permanently employed by the department? A. As inspectors?

Q. Yes, it does not make any difference as to whether they are engineers or not; the first point is that they should be permanently employed? A. Yes, that would be better.

Q. It would be much better to get and keep a good man if you could give him a steady job? A. Certainly.

Q. And you would add to that, that it would be better still if the inspection could be done under the eye of an assistant resident engineer. A. Exactly, on large works.

Q. He, himself, either having the inspection, where he could, or having some body under his immediate control? A. Yes, and in large work especially, in my opinion, it is necessary to have an engineer to keep a check on any over dredging below the grades which an ordinary inspector is not qualified to do. This requires a certain amount of engineering knowledge in taking soundings and so on.

Q. Which a temporary man picked up at the beginning of the season cannot be expected to have in any case? A. Yes, and there have been cases of over dredging.

Q. Now at Victoria harbour and Midland, the resident engineer is Mr. Sing, of Toronto, isn't he? A. Mr. Sing, yes.

Q. Whose permanent residence is in Toronto, I think? A. In Toronto.

Q. And the inspectors at those two places have been local men? A. I believe so.

Q. At Fort William there is Mr. Merrick who has also Port Arthur under his control? A. Not Port Arthur.

Q. Hasn't he got Rainy River then? A. He had Rainy River, but a year ago it appeared to me that Mr. Merrick had all he could do to look after the work at Fort William and it was arranged that Rainy River be taken out of his jurisdiction.

Q. So he has simply Fort William now? A. Only Fort William; he is resident there, and on the ground all the time.

Q. There is a great deal of dredging taking place there? A. A very large amount.

Q. Would you suggest an assistant engineer for him? A. Yes, sir. I believe he has a man at present who devotes nearly all his time to the taking of soundings.

Q. Of course even where there is place measurement there is need of a check in the matter of towage? A. Yes, sir.

Q. With regard to that, you have to have inspection, and of course it should be competent inspection? A. Yes, sir.

Q. Hitherto the nomination of inspectors has practically been in the hands of either the members supporting the government if there is one in the locality, or if the member happens to be in the opposition the nomination comes from the friends of the government? A. I believe that has been the practice.

Q. It seems as though it would be difficult to prevent the nomination of men being made in that way, but don't you think that extra care ought to be taken in seeing that the men nominated are really qualified, that there should be some more effective check by the resident engineer, or by yourself, or by somebody that a man who has been nominated is qualified? A. I believe that the proper system is to have the engineer appoint the inspectors.

Q. Of course you would not prevent any man from nominating a man to be inspector; that is the privilege of any subject, but the man nominated should be a suitable person? A. Yes, I think there should be no political consideration in the matter.

Q. As a matter of theory, you admit that it would be much more advisable to have no political influences whatever? A. Absolutely.

Q. But we have to recognize the existence of political influence in this country in all these matters, and I now ask you if you can suggest a way so that after a man has been nominated, precautions could be taken to see that such a man was really a qualified person. For instance, might not this be done, even under the present system—might it not be possible that the resident engineer, or yourself in charge of dredging could make a personal examination into the record and qualifications of the applicant, and require in every case certain certificates of character and the history of the man to be proved? A. Yes, I may say I am absolutely opposed to any appointment or the suggestion of the appointment of inspectors of a political nature.

Q. But suppose your objection does not prevail; would it not be still possible for greater precautions to be taken than are taken at the present time? A. Yes, possibly, if there is no insistence or interference afterwards, nor intimidation of any nature to keep a man on. Instructions that are sent out from our office very seldom, hardly in any case, mention the name of the inspector or where the inspector is to be obtained, but in all cases it mentions that the engineer should be satisfied that he is a competent and qualified man.

Q. But you are pretty well convinced, I fancy, from experience, that in practice the principle is for a supporter of the government to name the man? A. I believe absolutely in all cases, in fact I know that that is how they are obtained.

Q. What I am trying to lead up to is this, if the whole system were changed, and political influence were completely struck out, you, as assistant chief engineer or resident engineer would have to make the appointment of the inspectors? A. Yes, sir.

Q. Then if you were making the appointments yourself, you would either have to personally know the man, or you would have to take some precautions? A. Absolutely, yes.

Q. Where you did not know the man, what would you require? A. As qualifications for a position of that nature?

Q. What would you require? A. If a man was not personally known to the district engineer or to myself, I believe in the first place that a form should be gotten up mentioning the qualifications and some person to vouch for his character and sobriety, and the man should be questioned. There should be some investigation into his antecedents.

Q. And the resident engineer in every case should be satisfied, and should be able to satisfy you that the man is a fit and proper person? A. Absolutely.

Q. Don't you think that even to-day it would be possible for you to lay down such a form, and lay down a regulation to the resident engineer that in every case they

were to be satisfied and must report their satisfaction that the appointee is thoroughly qualified? A. Under the existing conditions do you mean?

Q. Yes? A. Well, the district engineer has it in my instructions that he has to be absolutely satisfied that the man is competent and qualified.

Q. I was going a little further. I was going to suggest to you this: whether you could not now lay down the rule, in a positive new instruction, to the resident engineers that in every case they would be held responsible for the character and capacity of the inspector they appointed, that they must make certain prescribed inquiries, and have certain forms filled in, which you could supply them with, as to certain qualifications, and that these must be forwarded to you? A. I believe it is advisable to some extent to hold the district engineers responsible, but it must be clearly understood that they are not going to be responsible unless the political end is eliminated entirely.

Q. What you mean is this, you agree that such a thing would be desirable if it could be carried into effect? A. If it could be carried into effect and political influence could be eliminated I believe it would be a desirable thing.

Witness retired.

The Commission then adjourned.

OTTAWA, TUESDAY, March 26, 1912.

PRESENT:

Honourable A. B. MORINE, K. C.,
Chairman.

G. N DUCHARME, Esq.
R. S. LAKE, Esq.,
Commissioners.

Examination of WILLIAM JOHN TAYLOR, Accountant, of the City of Toronto, aged 54 years.

Examined by the Chairman:

Q. Mr. Taylor you have been employed with Mr. Dunlop for some time in preparing figures in relation to dredging? A. Yes, sir.

Q. And you have personally prepared a statement regarding dredging in the maritime provinces? A. Yes.

Q. Well what is the first statement? A. The first statement is marked "A", showing prices for dredging in the maritime provinces arranged according to localities for the years 1908, 1909 and 1911. This statement also shows the name of the contractor, the material and the quantity dredged with the price.

Q. Now by running up the column of price one can tell from that statement what prices were paid in the different years at the same place? A. Yes, sir.

Q. For illustration. St. John harbour work was done by the Maritime Dredging Company, by the Dominion Dredging Company, by J. S. Gregory? A. Yes, by those three.

Q. Now take the price, in 1908, ordinary spoil, by the Maritime Dredging Company, was how much? A. 50 cents and 30 cents.

Q. 50 cents at Beacon Bar? A. Yes, that is the name of the place in St. John harbour.

Q. Now in 1909 and 1910 the same firm at the same place got 39½ cents? A. Yes, sir.

Q. Now at various places in St. John harbour in 1908, some are charged as high as 90 cents? A. That is right, sir.

Q. In 1908 the Dominion Dredge Company at the same place got 90 cents per yard? A. That is right, sir.

Q. And in the same harbour in 1908, J. S. Gregory got 50 cents and 30 cents per cubic yard? A. Yes, sir.

Q. The greater portion being at 30 cents? A. Yes.

Q. Do you know whether that work done by Gregory was in a different part of the harbour that year? A. No, it is mainly St. John harbour, wherever it is mentioned at a special place I have it in.

Q. Now we will take Yarmouth in the province of Nova Scotia, work has been done there by the Dominion Dredging Company and the Maritime Dredging Company, has there not? A. Yes.

Q. But only small quantities by the Maritime Dredging Company? A. Yes.

Q. In 1908 the Dominion Dredging Company got 50 cents a cubic yard at that place? A. Yes.

Q. That is for ordinary spoil? A. Yes.

Q. And in 1909 they got 52 cents? A. Yes, sir.

Q. They got 50 cents and 2 cents extra towage? A. Yes, I have not seen the contract of course, but 52 cents is what was charged, and in the Auditor General's report it is charged at so much paid at 52 cents.

Q. Well then, in 1910 the same company got 29½ cents per cubic yard? A. That was 28 cents per cubic yard and 1½ cents.

Q. That is 28 cents for ordinary spoil and 1½ cents for towage? A. Yes.

Q. And the same in the year 1911? A. Yes.

Q. At Lunenburg in the province of Nova Scotia, W. J. Poupore & Company got how much per yard for ordinary spoil? A. 50 cents.

Q. And the same firm in 1910 got how much? A. 39½ cents.

Q. And the same in 1911? A. Yes, the same in 1911.

Q. Well you have prepared a statement "B" which you call a short statement, of some of those places where comparison could be made for the purpose of deciding which it would be desirable to go fully into? A. Yes.

Q. You draw attention there to the town of Digby in Nova Scotia? A. Yes, sir.

Q. Where in 1908, 50 cents was paid, and in 1909, and 1910 and 1911, 40 cents was paid? A. Yes.

Q. Then there is Oromocto in the province of New Brunswick where 50 cents was paid to the Maritime Dredging Company in the year 1909 and 30 cents was paid to J. S. Gregory in the year 1910? A. Yes, sir.

Q. You have not yourself inquired into the causes of these differences, Mr. Taylor, I suppose? A. No.

Q. In Mahone bay, Nova Scotia, in 1908, Poupore & Company got 55 cents, and in 1910 Peasley got 40 cents, is that right? A. Yes.

Q. And at Mirimachi in New Brunswick, in 1908 and 1909 Poupore got 60 cents per yard and in 1910 and 1911 he got 45 cents? A. Yes, sir.

Q. Well, Poupore was working in what they call Miramichi bay and Peasley was working in Miramichi river. You did not examine into the distinction between them? A. No, sir, I did not.

Q. At Loggieville, in New Brunswick, A. & R. Loggie, in the year 1908 and 1909 got 35 cents and in 1911, the Eastern Dredging Company got 25 cents, and Poupore got 33 cents for ordinary spoil? A. Yes.

Q. Both of them working at Loggieville? A. Yes, both of them working at Loggieville.

Q. The Eastern Dredging Company did about one quarter of the dredging? A. Yes, about a quarter of the total.

Q. At Dalhousie in New Brunswick, A. & R. Loggie in 1908 got 50 cents and in 1909, 50 cents, and in 1910 and 1911 they got 39½ cents? A. Yes, sir.

Q. So far as you know? A. So far as I know at the same place.

Q. At Caraquet in New Brunswick, in 1909, they got 41 cents, A. & R. Loggie, is that right? A. Yes.

Q. And in the same place in 1910 and 1911 W. J. Poupore & Co. got 30 cents per yard? A. Yes, sir.

Q. Well at Lahave River, Nova Scotia, sometimes called Bridgewater, W. J. Poupore & Co. in 1909 got 97 cents and 79 cents per cubic yard for ordinary spoil? A. Yes, by reason of the different towages.

Q. The difference being ascribable to towage? A. Yes.

Q. And in 1910 and 1911 they got 55 cents I understand? A. Yes, sir.

Q. And i 1909 the rate was a flat one, including towage? A. Yes.

Q. And in 1909 the rate was a flat one, including towage? A. Yes.

Q. Generally speaking the prices you have quoted did not include towage? A. No, sir.

Q. That is in every case if the towage exceeds a certain maximum amount, an extra is allowed? A. Yes.

Q. Generally speaking, what extra price per yard per mile have you found allowed for towage? A. It would be hard to strike an average because there is 15 and 10½ charged in some cases.

Q. Not per mile surely? A. Yes, per yard per mile—no, I am mistaken there, that is for the whole total.

Q. But what is the average charge per yard per mile?—A. Oh an average of about 2 cents.

Q. But what is the average charge per yard per mile? A. 'Oh an average of 2 cents per yard per mile on towage? A. Yes.

Q. Then you have also prepared another statement I believe, Mr. Taylor? A. Yes, I have prepared a statement similar to the former but applicable to the years 1906 and 1907.

Q. You make a remark there about a payment to G. S. Mayes in 1907 and 1908? A. Yes, the Auditor General's report for 1907 and 1908 shows a payments of special contract made to G. S. Mayes of $25,000. The papers show that Mr. Mayes was paid by the city of St. John for the work and the department afterwards paid over the $25,000 to the city of St. John. There was nothing in the papers to show how many yards were dredged.

Q. You make a note with reference to the work done in St. John harbour by G. S. Mayes do you not? A. Yes, as follows: "G. S. Mayes apparently obtained the contract dated September 30, 1905, No. 5745, for dredging at Sand Point slip, St. John, for the price of 35 cents per yard for ordinary material and $8.60 per yard for rock. Operations were carried on under this contract until January 8, 1908 when the work seems to have been completed so far as this contract went, but during the currency of this contract, namely, on August 8, 1906, another arrangement was made by telegram for carrying on dredging at the same place at a practically increased price. This arrangement was apparently confirmed by contract No. 6084, made September 21, 1906, the prices for the new contract were $19.90 for rock over two cubic yards, $5.60 for rock under two cubic yards, and 90 cents for ordinary spoil." The point is that the two contracts were running for part of the time concurrently, and it is a question if the work involved such a variation in prices.

Q. Has that anything to do with the previous contract with the city of St. John? A. No, that was a special contract.

By Mr. Lake

Q. Was there anything to indicate that this was at different places in the harbour? A. Sand Point slip is all that is on that report.

Q. There is nothing to indicate that the character of the work to be done was different? A. No, sir.

Q. Have you looked through the files in connection with these two contracts? A. There is nothing to show the dredging. I find the contractors' accounts merely.

By the Chairman:

Q. You found a peculiar affidavit did you not in relation to some work done by the Dominion Dredging Company? A. Yes, by the Dominion Dredging Company, that is right.

Q. The affidavit was made by one, who? A. Dennis Coholan.

Q. And it was dated in May 1908? A. Yes.

Q. Well there were weekly reports were there not? A. Yes.

Q. What period did it cover? A. From July to March 1908.

Q. Well wasn't there any intervening declaration, or was that the only declaration? A. That was the only declaration.

Q. Well there were weekly reports were ther enot?—A. Yes.

Q. But no affidavits, not testified to? A. No sir, not testified to.

Q. Nothing but the official declaration? A. Yes.

Q. Well that affidavit referred to dredging by the Dominion Dredging Company in the season of 1907 and 1908 did it not? A. Yes.

Q. And referred to 341,554 yards of ordinary material at 90 cents per cubic yard? A. Yes.

Q. And some rock at other prices? A. Yes, sir.

Q. That was a much higher price than has been paid since there, being 39½ cents paid recently for ordinary spoil? A. Yes.

Q. The Maritime Dredging Company are getting 39½ cents at St. John harbour at Beacon Bar? A. Yes, sir.

By Mr. Lake:

Q. Do you know what part of the harbour this dredging was done at? A. Sand Point slip is what they call it.

By the Chairman:

Q. Now the previous year from October, 1905, to January, 1908, G. S. Mayes was dredging at the same places? A. Yes.

Q. And getting 55 cents per cubic yard? A. Yes, sir.

Q. And then he got increased, as you have just said, to 90 cents? A. Yes, sir.

Q. And his prices of 55 and 90 cents seem to cover the same periods, I understand? A. Yes.

Q. The work under the 55 cent rate went on from October, 1905, to January, 1908, and the work done at the 90 cent rate from September, 1906, to June, 1907? A. Yes.

Q. Well it may be that the 90 cent rate paid to Mayes applied to dredging on some different class of material? A. It might have.

Q. Harder clay for instance? A. It might have.

Q. You don't know anything about that? A. No, sir.

By Mr. Lake:

Q. There is nothing to indicate it did on the paper? A. No, sir.

Q. Did you look into another contract of Mr. Mayes for dredging to be done in St. John harbour at $1 per cubic yard? A. What year?

By the Chairman:

Q. The same year? A. You mean the year 1906 and 1907?

Q. No, the year 1907 and 1908? A. I did not. I may say that a great many of the papers of 1906 and 1907 could not be got at, and also some of 1907 and 1908. The papers for the years 1908 and 1909 are all in full, but those of the years 1906 and 1907, and the years 1907 and 1908 are not procurable, the one Mr. Lake is speaking of would not be there, because some papers for that year I could not find.

Q. You looked up all the contracts you could find which were of interest in the year 1907 and 1908? A. No, I did not.

Q. Then you did not notice a contract with Mr. Mayes during that year? A. No, sir, the papers for 1906 and 1907 are very much muddled up there and I am quite sure I haven't got all of them.

Witness retired.

Examination of SAMUEL JOHN ROBINS, assistant secretary Public Service Commission, of the City of Ottawa.

Examined by the Chairman:

Q. You have been engaged for some time in collecting data in relation to dredging, Mr. Robins? A. I have.

Q. Now there are just a few places I want to ask you about. You have prepared a statement showing the amount expended on dredging in the province of Nova Scotia during the seasons for ten years from 1901 to 1910 inclusive, is that right? A. Yes, sir.

Q. The total in that province for the period was $1,763,750.64? A. Yes.

Q. That does not include anything expended in the construction and improvement of dredges or dredging plant? A. No.

Q. Now have you prepared a similar statement for New Brunswick? A. Yes, sir.

Q. And the total expenditure there is how much? A. $2,815,424.72.

Q. And a similar statement for Prince Edward Island? A. Yes.

Q. And what was the expenditure there? A. $225,090.06.

Q. And you have prepared a similar one for Quebec? A. Yes.

Q. And what was the expenditure there? A. $3.324,920.36.

Q. And I believe you have also prepared a similar statement for the province of Ontario, Mr. Robins? A. Yes.

Q. And what was the total expenditure in the province of Ontario over that period? A. $9,365,265.47.

Q. And have you also prepared a similar statement for the province of Manitoba? A. Yes.

Q. And will you tell us the total expenditure for that province? A. $257,351.41.

Q. Have you also prepared a similar statement for the provinces of Alberta and Saskatchewan? A. Yes.

Q. And what is the total expenditure in those provinces? A. $37,183.72.

Q. And have you also prepared a similar statement for the province of British Columbia for the same period? A. Yes.

Q. And what is the total expenditure in the province of British Columbia? A. $1,116,493.74.

Q. And then there was the general expenditure of $42,282.89 making a total for ten years of how much? A. Making a total for the ten years of $18,947,862.01.

By Mr. Lake:

Q. Does that mean both contract and departmental dredging? A. Yes.

By the Chairman:

Q. Now in Yarmouth, Nova Scotia, in the year 1908 and 1909 there was an expenditure of about $18,000 wasn't there? A. Yes, according to the Public Works Departmental report.

Q. You took all your returns from the reports of the Public Works Department, all your figures? A. Yes, sir.

Q. Well in the same place in the year 1909 and 1910 what was the expenditure? A. $88,972.74.

Q. And in the year 1910 and 1911 what was the expenditure? A. About $93,000.

Q. And Digby, Nova Scotia, the amount expended in 1909 and 1910 was how much? A. $20,887.50.

Q. And in the year 1910 and 1911 what was the expenditure? A. $21,082.20.

Q. And in Mahone bay in the year 1908 and 1909 Mr. Robins, what was the expenditure? A. $67,353.57.

Q. And in the year 1910 and 1911? A. $15,910.60.

At this time MR. TAYLOR who was in the room was asked the following questions by the Chairman:—

Q. Who did the work at Lunenburg, Nova Scotia, in the year 1907 and 1908? A. Messrs. W. J. Poupore & Co.

Q. At what price? A. 40 cents per cubic yard.

Q. And the same company in the next year did the work, that is the year 1908 and 1909, did the work at 50 cents per cubic yard? A. Yes, sir.

The examination of Mr. ROBINS was then resumed.

By the Chairman:

Q. How much was your expenditure in Lunenburg, Nova Scotia, in the year 1907 and 1908? A. $99,252.94.

Q. And in the next year 1908 and 1909 what was the expenditure in the same place? A. $71,234.54.

Q. And in the year 1910 and 1911 what was your expenditure at the same place? A. $39,097.42.

Q. Well now you prepared a detailed statement for the province of New Brunswick did you? A. Yes, sir.

Q. Take Oromocto in the year 1909 and 1910, how much was spent at that place? A. $28,638.23.

Q. And in the year 1910 and 1911 how much was spent at that place? A. $19,562.33.

Q. Take Miramichi bay in 1909 and 1910, how much was spent there then? A. $40,969.90.

Q. And in the year 1910 and 1911 how much was spent at the same place, Miramichi bay? A. $79,267.63.

Q. And in the Miramichi river there has been a continual expenditure for several years has there not, Mr. Robins? A. Yes, sir.

Q. But in 1908 and 1909 what has been spent on that dredging? A. $28,774.05.

Q. And in the year 1909 and 1910 how much has been spent there on dredging? A. $1,248.10.

Q. And in the year 1910 and 1911 what was the total expenditure at that point? A. $5,055.26.

Q. Now take Dalhousie harbour in New Brunswick, in 1908 and 1909 what were the expenditures of the last three years? A. In the year 1908 and 1909 the expenditure was $25,175.49.

Q. And in 1909 and 1910? A. The expenditure was $31,662.13.

Q. And in the year 1910 and 1911 what was the total expenditure at Dalhousie harbour? A. $22,338.70.

Q. What has been the total expenditure during ten years in the harbour of St. John strictly so called? A. The total expenditure for dredging in the harbour of St. John for the last ten years has been $1,826,918.10.

Q. Well at St. John, at Andrew's wharf there was an expenditure in ten years of how much? A. $92,874.44.

Q. Now in St. John river for the same period, what was the total expenditure? A. $30,262.99.

Q. Now for St. John harbour, which is the chief one, beginning with 1905 and 1906 will you put it in the form of a table, Mr. Robins, and tell us what was the total expenditure? A. Yes. In 1905 and 1906 the expenditure was $114,055.53, in 1906 and 1907 the expenditure was $115,471.65, in 1907 and 1908 the expenditure was $596,144.92, in 1908 and 1909 the expenditure was $222,810.34, in 1909 and 1910 the expenditure was $312,183.23, and in 1910 and 1911 the total expenditure was $427,837.22.

Witness retired.

Mr. TAYLOR (recalled):

Examined by the Chairman:

Q. Have you prepared a statement in relation to the province of Quebec giving the same particulars as in previous cases I understand, Mr. Taylor? A. Yes, except that I have made this more fully, I was able to give the particulars for the six years.

Q. Now upon this statement you have made certain notes of your own, have you not, Mr. Taylor? A. Yes, sir.

Q. For instance, you make this statement: "With regard to some extra towage charges, if you were directed to show that even admitting extra towage was a proper charge, proper care was not exercised in all cases as to the actual allowance of the right number of yards, for instance, W. J. Poupore & Co., Maskinonge, in 1906, got paid for 13,000 yards as having been towed for three and a half miles, while 3,358 yards are shown by the report to have been towed only three miles." Well they would not get extra towage for three miles would they, Mr. Taylor? A. No sir.

Q. So that extra towage on that last amount should not have been allowed? A. No, sir.

Q. Then you say that Rivere du Loup, the St. Lawrence, the Great Lakes Dredging Company did some dredging in 1907? A. Yes, sir.

Q. And what is your note upon that? A. My note upon it is this that that contract apparently was made for 13 cents for ordinary spoil and $8\frac{2}{3}$ for cast-over.

Q. I don't like the distinction which you and Mr. Dunlop have fallen into making between ordinary spoil and cast-over, because there is no distinction at all, they were to get 13 cents for towage included, that was under a certain distance? A. Yes.

Q. And if they cast it over they were to get $8\frac{2}{3}$ cents? A. Yes.

Q. The spoil was the same in both cases? A. Yes.

Q. They dredged 98,440? A. Yes, sir.

Q. And what price did they get for that? A. 13 cents.

Q. How much of that was cast-over? A. 27,820 yards.

Q. Did they get the full price for the cast-over? A. Yes, sir.

Q. Once, extra towage took place—Was there an allowance for extra? A. Yes, there is an allowance for extra towage also.

Q. Comparing the prices paid at the various places for ordinary spoil in the different years, have you any remarks to make? A. Well, they seemed very different.

Q. Isn't the first thing that strikes you is that the prices differ materially? A. Yes, I have gone into that in the report, the differences in the prices strikes me as very great.

Q. The variation in prices in the different places? A. Yes, it seems something out of the ordinary.

Q. Well, for instance, take the year 1906 and 1907 for ordinary spoil the prices range from 8 cents at Maskinonge up to 57 cents at Como? A. Yes, sir.

Q. Then take the next year 1907 and 1908, the prices range again from 8 cents at the St. Maurice river to 29 cents at St. Andrews? A. Yes, sir.

Q. And in the year 1908 and 1909 what is the lowest price at any place? A. I think it is 10 cents at the St. Maurice river.

Q. And the highest is what? A. 35 cents at Dorion.

Q. And in the year 1909 and 1910 the price ranges from 10 cents at St. Maurice again to 32½ cents at Saguenay? A. Yes.

Q. And in 1910 and 1911 it goes from 15 cents at the St. Maurice to 21½ at St. Placide? A. Yes.

Q. And in the year 1911 and 1912 the prices range from what? A. The prices range from 14 cents at St. Maurice to 32½ at the Saguenay.

Q. Now, speaking of the Saguenay, there is a notable difference of prices there in different years is there not, take for instance in 1907 and 1908, the General Construction Company appears to have had a contract? A. Yes.

Q. What was the price? A. 34 cents per cubic yard.

Q. And the material was what? A. Clay and sand.

Q. And the same company in the year 1909 and 1910 got 32½ cents did they not? A. Yes.

Q. And in the year 1910 and 1911 the Continental Dredging Company got it at 21¾ cents? A. Yes, sir.

Q. And in the year 1911 and 1912 the same company got it again at 32½ cents? A. Yes, sir.

Witness retired.

Mr. ROBINS (recalled):

Examined by the Chairman:

Q. What is the total expenditure in the ten year period at Saguenay in the province of Quebec? A. $279,111.54.

Q. Will you please give me the amount per year for the last five years? A. Yes, in the year 1906 and 1907, the expenditure there was $35,029, in the year 1907 and 1908 the expenditure was $61,141, in the year 1908 and 1909 the expenditure there was $35,656, in the year 1909 and 1910 the expenditure there was $27,736, and in the year 1910 and 1911 the expenditure was $38,555.

Q. Who were the tenderers for the Saguenay in 1908? A. The General Construction Company.

Q. For ordinary material? A. Yes.

Q. And the price? A. 32½ cents.

Q. They appear to have been the only tenderer that year? A. Yes.

Q. Well, in the year 1909 no tenders were received and the contract continued by order in council, was it not? A. Yes.

Q. At the same rates? A. Yes.

Q. Now in the year 1910 who were the tenderers? A. The Dominion Dredging Company.

Q. At what rate did they tender? A. 21¾ cents.

Q. For ordinary material? A. Yes.
Q. And who else? A. The Continental Dredging Company.
Q. At what price did they tender? A. 28 cents.
Q. I think the Dominion Dredging Company were the lowest tenderers? A. Yes.
Q. And who got the contract? A. The Continental Dredging Company.
Q. The highest tenderer got the contract? A. Yes.
Q. But at the figures of the lowest tenderer? A. Yes.
Q. Then in the next year who were the tenderers? A. The Continental Dredging Company.
Q. That was the only tender wasn't it? A. Yes, the only tender.
Q. And at what price? A. 35 cents, that is class B.
Q. That is ordinary material is it not? A. Yes.
Q. Did the engineer report on that tender? A. Yes.
Q. What was his report? A. His report was that he considered 30 cents a fair price.
Q. That would be Mr. Dufresne? A. Yes.
Q. And he wrote the company for a reduction? A. Yes.
Q. Well they were given the contract that year at what rate? A. At 32½ cents.
Witness retired.

Mr. Taylor re-called.

Examined by the Chairman:

Q. Now comparing some other places, take St. Placide, Cohen & Sons, 1906 and 1907, their price was 21¾ was it not? A. No, it was 33 cents in 1906 and 1907.
Q. Well in 1907 and 1908 what was the price for dredging at St. Placide? A. 21¾ cents per cubic yard.
Q. And in the year 1908 and 1909 what was it? A. 21½.
Q. And what was it in the next year, 1909 and 1910? A. 21½ cents per cubic yard.
Q. Well it has been 21½ cents per cubic yard ever since? A. Yes.
Q. Apparently the same material? A. Yes.
Q. Clay and sand? A. Yes, all the same material every year.
Q. Well now take Berthierville, in 1906 and 1907 Cohen & Sons were the contractors, what did they get? A. 21¾ cents per cubic yard.
Q. And in 1907 and 1908 who were the contractors for the Berthierville dredging? A. The General Construction Company.
Q. At what price did the General Construction Company get the contract at Berthierville? A. 16½ cents.
Q. Who got the contract in 1910 and 1911 at Berthierville? A. Cohen & Sons.
Q. At what price? A. At 16 cents per cubic yard.
Q. And who had that contract in 1911 and 1912? A. W. J. Poupore.
Q. At what price? A. At 14 cents a cubic yard.
Q. Now take St. Andrews in 1906 and 1907, clay and sand, how much was that? A. 55 cents, to the General Construction Company.
Q. And in 1907 and 1908? A. The price was 25 cents.
Q. And to whom did the contract go? A. The Dominion Dredging Company.

Witness retired.

Examination of Bruce B. Macfarlane, chartered accountant, of the district and city of Montreal, aged 23 years.

Examined by the Chairman:

Q. You have been engagd with Mr. Dunlop in the dredging branch of the Department of Public Works preparing statements? A. Yes.

Q. Particularly in relation to departmental dredges? A. Yes.

Q. Now in relation to the question of towage, some of the departmental dredges down there have their own tow boats attached to them, that is belonging to the government? A. Yes.

Q. And towage is also contracted for from time to time? A. Yes, sir.

Q. And you have given me one statement here which refers to the employment of tug boat to serve the dredge *W. S. Fielding*? A. Yes.

Q. That is in the year 1911 and 1912? A. Yes.

Q. She has been engaged where, at what particular place, Mr. Macfarlane? A. In St. John harbour.

Q. That is St. John, New Brunswick? A. Yes.

Q. She has some tug boats of her own has she not? A. Yes.

Q. That is departmental tugs? A. Yes.

Q. How many has she? A. Two.

Q. And besides those two a third tug has been employed? A. Yes, a third has been employed besides those two.

Q. What was the amount paid in that period for this tow boat? A. $5,492.62.

Q. Of which the chief amount went to John D. Moore of St. John, did it not? A. Yes.

Q. For the use of the tug? A. For the use of the tug called *Lord Wolsley.*

Q. How much per day was paid her? A. At the rate of $37.50 per day.

Q. What total amount was paid that year for her services? A. $5,203.12.

Q. Did you notice anywhere in the papers in connection with her whether there was any contract or correspondence in connection with this matter? A. No, sir.

Q. Now you have prepared a summary of towage paid for departmental dredges in the maritime provinces in the season of 1910 and 1911, have you not? A. Yes, sir.

Q. What do you mean by "paid for" departmental dredging in the statement, what do you mean by those words? A. Paid for outside tug services.

Q. You mean paid for the services of tugs belonging to private persons? A. Yes, sir.

Q. And not including the cost of any department dredges? A. No, sir, not including the cost of any departmental tugs.

Q. Nor their operation? A. No, sir.

Q. In that season what was the total amount paid for those tugs belonging to private person? A. $60,542.80.

Q. That covers the contract tugs attending on the different dredges? A. Yes, sir.

Q. What was the largest payment? A. The *Cape Breton.*

Q. Well how many tugs does she appear to have had atttending upon her in that season? A. Three.

Q. Well, she appears to have had five about her at different times? A. Yes, sir.

Q. Well of those two appear to have just rendered small services in towing her from one place to another or something of that sort? A. Yes, sir.

Q. But the tug *Fairy,* Joseph Fraser & Sons, were paid over $3,339, the tug *Nelson* and owners were paid $3,374 and for the services of the tug *Merrimac* of North Sydney, the owners were paid $9,235.50? A. Yes, sir.

Q. Well 220 days would cover pretty well the whole working season wouldn't it? A. Yes, sir.

Q. So that presumably the *Nelson* and the*Merrimac* were together with the *Cape Breton* most of the time? A. Yes, sir.

And the *Fairy* would also appear to be there a considerable portion of the time? A. Yes, sir.

Q. By the statement she was there 102 days? A. Yes, sir.

Q. The next largest amount paid for tug boats for dredges that year was what?—A. For the *St. Lawrence*.

Q. Working in the Baie des Chaleurs? A. Yes.

Q. And the towage paid for in relation to her was how much? A. $10,320.

Q. There were two tugs in attendance on her? A. Yes.

Q. The *William Aitken* for 134 days at $40 per day? A. Yes.

Q. That is $5,360? A. Yes.

Q. And the *Goliath* 124 days at $40 per day? A. Yes.

Q. That is $4,960? A. Yes.

Q. Apparently the two tugs were there at the same time? A. Yes.

Q. You examined the accounts, of course, that were sent in and certified? A. No, I did not examine the accounts, I took it from the Auditor General's report.

Q. You have also prepared a statement showing the towage paid in the season of 1911 and 1912? A. Yes.

Q. That would not be for a full year? A. Up to October $1.

Q. That statement would only cover up to October 31, 1911? A. Yes.

Q. The total amount spent in the maritime provinces for that period is how much Mr. Mcfarlane? A. $45,976.54.

Q. Of which again the largest amount is for the *Cape Breton?* A. Yes.

Q. How much for her? A. $13,560.

Q. And how much for the *St. Lawrence?* A. $4,155.

Q. And how much for the *Montague?* A. $4,091.67.

Q. And for the *Canada?* A. $4,785.

Q. You have prepared a statement in regard to wharfage for *W. S. Fielding* in St. John, New Brunswick, for the season 1911 and 1912? A. Yes, sir.

Q. What was the total of that? A. $2,021.

Q. How do you summarize it? A. I summarize it as follows: Macavity's wharf, 214 days at $8.75 per day, $1,872.50, H. N. Gregory & Sons, 99 days at $1.50 per day, $148.50.

Q. Making altogether a total of? A. $2,021.

Q. That would be up to what date? A. October 31, 1911.

Q. Presumably the charge is continuing? A. Yes, sir.

Q. At what rate was the Intercolonial Railway paid for 32 days wharfage of the *Restigouche?* A. $2.25 per day.

Q. Now Mr. Macfarlane you have also prepared a statement in connection with some expenditures on the *Restigouche* have you not? A. Yes, sir.

Q. Well you have taken that from what? A. The Auditor General's report for 1910 and 1911.

Q. That dredge was bought in the United States from the United States Engineering Company, was it not? A. She was bought from the United States Engineering Company but was built in Holland and said to be finished in 1910.

Q. The amount paid for her I understand, was $50,000? A. Yes, sir.

Q. Is there anything in that statement to which you wish particularly to draw my attention? A. To the repairs and equipment on the vessel during the season of 1910.

Q. How much did they amount to? A. $6,287.88.

Q. To whom was that payment made? A. To Ferguson & Cox, that is one payment.

Q. Where are they? A. Nova Scotia people.

Q. Halifax? A. I think so.

Q. And the payment to Ferguson & Cox was $2,951? A. Yes.

Q. And then there were William Robertson & Sons I see to whom were paid $1,344? A. Yes, sir.

Q. And W. W. Howell, repairs and alterations, $966? A. Yes, sir.

Q. And T. Macavity & Sons were paid $732? A. Yes.

Q. Well generally you mean to say that you were struck by the large amount of repairs and equipment on a dredge which had just been bought? A. Yes, sir.

Q. In relation to the dredge *Cape Breton* have you prepared a special statement about repairs to it, Mr. Macfarlane? A. For the past five years.

Q. What have they totalled? A. $41,058.01.

Q. And what is the value she is estimated at in the department? A. In January, 1912, she was valued at $56,000.

Q. The repairs, on her have cost $41.000 and the total value of the dredge is put down at $56,000? A. Yes.

Q. These repairs, although you say in the last five years, were paid chiefly in the last four years were they not? A. Yes, sir.

Q. Did you find from the papers whether in regard to most of these repairs there was any contract at all? A. In one or two instances only.

Q. In one or two instances only? A. Yes.

Q. Just in a few minor particulars there is some mention of a contract? A. Yes.

Q. In connection with the dredge *Northumberland,* you have also provided me with a statement showing amount paid for repairs, &c., in connection with the boat in 1911? A. Yes, sir.

Q. This statement is a copy of some bills that were put in? A. Yes.

Q. In the first place you have put in a bill $5,224.67 paid J. & J. Yorkton of Pictou, Nova Scotia? A. Yes.

Q. Certified to by G. M. Graham, the local superintendent? A. Yes, sir.

Q. And the first item is winter berth at the slip as per agreement, $2,600, that is correct? A. Yes, sir.

Q. That was just for a winter berth, she was hauled up in the slip and left there, and they got $2,600 for that? A. Yes, sir.

Q. Otherwise it would be covered with snow? A. Yes, sir.

Q. Did you see any form of agreement in connection with that Mr. Macfarlane? A. No, sir.

Q. Well then the next item is $1,926 made of 7,704 hours of work at 25 cents per hour? A. Yes.

Q. Do you know any precaution having been taken to check the amount of work? A. No, sir.

Q. There was nothing indicated in any way from what you could see? A. No, sir.

Q. Then there is a bill for $1,760 for hauling, wintering in the yard at New Glasgow, scraping, cleaning, painting and launching pontoon as per agreement? A. Yes.

Q. Did you see any agreement with reference to these? A. No, sir.

Q. That is paid Matheson & Co., Limited, of New Glasgow, Nova Scotia? A. Yes, sir.

Q. How much in all has that company received in the early part of June, 1911, for work on this dredge? A. $3,495.69.

Q. Then you have given me a statement of an expenditure of an inspection launch in the season of 1910 and 1911? A. Yes.

Q. How much? A. $6,509.26.

Q. The foreman and carpentry work amounts to how much? A. $1,592.12.

Q. And J. A. Pugsley & Co., they were paid how much for marine engines? A. $2,976.12.

Q. And for a propeller shaft? A. $64.05.

Q. Making a total of? A. $3,040.15.

Q. Now you have prepared a statement showing payments for coal supplied to departmental dredges in the maritime provinces during the season of 1911 and 1912? A. Yes.

Q. That is again up to October 31, 1911, I understand? A. Yes, sir.

Q. That statement shows the dredge or tug as the case may be to which the coal was supplied? A. Yes.

Q. And also the price paid and also the person to whom payment was made in each case? A. Yes, sir.

Q. Now take the *W. S. Fielding* for instance, the chief items for coal for her are to the Dominion Coal Company? A. Yes.

Q. And the price was $4 per ton? A. Yes, sir.

Q. Well the same company supplied the *Hercules*—and of course the tugs in attendance on her—the *Hercules* and the *Helena* got the coal from the same company at the same price naturally? A. Yes.

Q. Now take the *Pawnall*, she was in Prince Edward Island was she not? A. Yes.

Q. And her coal was supplied by Joseph Reid & Company, Limited, at $4.75 per ton? A. Yes.

Q. But I notice that Picard & Company supplied Sydney steam coal to her on one occasion at $4.25 per ton? A. Yes, sir.

Q. Now the *Restigouche* got her coal from the Bathurst Lumber Company in May and June, or rather down to the 10th of June, and the price was how much per ton? A. $6.

Q. That was down to the 10th of June? A. Yes, sir.

Q. And after that what was the price? A. $5.

Q. I suppose that was in the spring? A. Yes.

Q. Bathurst is open to navigation in May I suppose? A. Well. I don't know.

Mr. DUNLOP.—Yes, I may say that it opens early down there.

Q. The *St. Laurent* got coal from R. B. Shives? A. Yes.

Q. She was at Campbellton? A. Yes.

Q. And what was paid for that coal? A. $5 per ton.

Q. The *Montague* at Charlottetown in May paid $4.75 and in July paid $4.50 a ton for coal? A. Yes, sir.

Q. The *Northumberland* at Pictou, Nova Scotia, her coal was purchased from whom, Mr. Macfarlane? A. From C. Dwyer & Sons.

Q. And with what kind of coal in the main? A. Acadia, Acadia lump coal.

Q. And the price paid for it all through the season was how much a ton? A. $4.60.

Q. The *Canada* was on the south coast of Nova Scotia and she bought her coal or it was purchased for her from different people? A. Yes.

Q. At Liverpool for instance, F. W. Hatt got $5.30 a ton for Sydney reserve coal? A. Yes.

Q. And in Shelburne County C. D. Crowl got $5.50 for coal? A. Yes, sir.

Q. And J. J. Leblanc at Lower East Pubnico, got how much? A. He got $3.75 for coal.

Q. And D'Entremont got $6 a ton? A. Yes.

Q. Now the *George Mackenzie* was dredging in Cape Breton wasn't she? A. Yes, sir.

Q. And her coal cost in the main about $3 a ton? A. Yes, sir.

Q. I see however that in September she got some Acadia lump coal at $3.75 per ton? A. Yes.

Q. The coal for the *Cape Breton* which was operating in Cape Breton cost about $3 in some cases and in one case cost $4 for reserve mine coal? A. Yes, sir, in two cases.

Q. In two cases it cost $4 for reserve mine coal? A. Yes.

Q. Well you have endeavoured to prepare a statement showing what quantities

and prices of provisions purchased for departmental dredges in the maritime provinces I understand? A. Yes.

Q. Now generally with relation to that what have you to say? A. First that the quantities were purchased from different persons. They would only be one month from one firm and the next month from a different firm.

Q. The supplies were purchased from a different firm each month? A. Yes.

Q. Parcelling it out apparently? A. Yes.

Q. And nothing you saw showed that there was any tender or contract for it? A. No, sir.

Q. Is that generally true with regard to the supplies to all the dredges, that you found they were purchased from different persons? A. Yes.

Q. Chiefly your statement on this particular refers to the *W. S. Fielding*? A. Yes.

Q. Were you able to compare the prices with current prices? A. No.

Q. I suppose you could not compare them very well with current eastern prices? A. No, I could not.

Q. Well now with regard to beef supplied to the *W. S. Fielding* at St. John, have you any note to make? A. Beef was supplied at 12 cents a pound, a different firm nearly each month.

Q. And the price was always the same although the firms differed? A. Yes.

Q. And it was the same all through the season? A. Yes, sir.

Witness retired.

The Commission then adjourned.

OTTAWA, Tuesday, March 26, 1912.

PRESENT.

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Mr. TAYLOR (recalled):

Examined by the Chairman:

Q. Mr. Taylor, you have been preparing some figures as to the cost of substinence per head of the crews on the dredges in the maritime provinces? A. Yes, sir.

Q. And the statements you now hand in are the result of that computation? A. Yes.

Q. Where did you get your figures? A. From the Auditor General's report.

Q. Entirely as to amounts? A. Entirely as to amounts.

Q. Where did you get the number of men on the pay-roll? A. From the pay-sheets.

Q. And the number of day's board as per pay-roll? A. Yes, as per pay-roll. I got these details from the Auditor General's report, but the bills that came in from the original suppliers which are furnished by the Auditor General, were furnished to me. We had the bills from the Auditor General.

Q. You did not have the original bills? A. Yes, we had the original bills from the people who sold those goods.

Q. Now you find that the cost on the *Montague* is how much?. A. 42.8.

Q. That is 42·8 cents per man per day? A. Yes.

Q. And on the *St. Lawrence?* A. 41·55.

Q. And on the *W. S. Fielding?* A The cost on the *W. S. Fielding* was 35.88 per man per day.

Q. And on the *New Brunswick?* A. On the *New Brunswick,* 41·89 cents per man per day.

Q. And on the *Cape Breton?* A. 54.89 per man per day.

per day.

Q. And on the *Northumberland?* A. The cost on the *Northumberland* was 59·18 cents per man per day.

Q. Can you give any explanation for this variation, Mr. Taylor? A. I cannot.

Q. The largest boats were the *Fielding* which had 32 men on board on an average? A. Yes.

Q. And the *Northumberland* would have an average of about 30 men on board? A. Yes, sir.

Q. Then lower than those are the *Cape Breton* with an average of 17 men on board? A. Yes sir.

Q. And the *New Brunswick* with an average of about 12 men? A. Yes sir.

Q. And the *Montague* with an average of about 14? A. Yes.

Q. The most expensive boat then was the *Northumberland* with the second largest crew? A. Yes, sir.

Q. And compared with the *Fielding* she was as 59·18 is to 35·88, or nearly 20 cents per day per man difference? A. Yes, sir.

Q. Have you any explanation to offer for that at all? Did you examine the prices of those two ships to see whether the difference was in the prices or in the quantities or in what it was? A. Well no, that wasn't done.

Q. I suppose without great difficulty you could compare the prices and quantities? A. Yes.

Q. Well you might make a comparison between the *Fielding* and the *Northumberland,* comparing the prices and quantities of different articles so as to ascertain if possible why the cost was greater in one case than in the other? A. Yes, sir.

Q. Where was the *Northumberland* operating? A. At Pictou, and inside of Sydney there.

Q. On the north shore of Nova Scotia? A. Yes, sir.

William M. Dunlop, chartered accountant, Ottawa (re-called):

Examined by the Chairman:

Q. You have been preparing and assisting in preparing data from the dredging branch of the Department of Public Works Mr. Dunlop? A. Yes, on the contract work.

Q. Can you tell me first with reference to the contracts of the Great Lakes Dredging Company Limited for work done where? A. Up in the Fort William district.

Q. The contract there allowed them a fixed rate per yard dredge, and also extra towage? A. Extra towage and beyond the prescribed distance mentioned in the specification.

Q. And generally that was what? A. Generally three miles.

Q. About three and a half miles from the place of the dredging, the maximum distance from the dredging? A Yes.

Q. What was the rate per yard per mile outside of that? A. One cent per yard per mile.

Q. Now for the five years for the dredging season of 1907, 1908, 1909, 1910 and 1911, extra towage was paid on how many yards of material? A. On 13,528,822 cubic yards.

Q. And the amount paid for extra towage was how much? A. $238,739.67.

Q. That latter amount just represents the extra towage? A. Exactly.

Q. The greatest amount allowed for extra towage was in what year, Mr. Dunlop? A. In the year of 1911.

Q. And the amount was how much? A. $79,011.46. I would also draw your attention to the fact that year of 1910 is smaller by reason of nothing being done except 150,000 yards of that extra three feet.

Q. Wait a moment now before speaking about that—you have prepared a detailed table showing the amount of extra towage for each of these years? A. Yes.

Q. Then those detailed tables also show the amount on which extra towage was paid, that is the number of yards on which extra towage was paid each year, and the total amount paid? A. Yes.

Q. And it also shows the amount or rather the number of yards which were towed or on which allowance for being towed was made for various distances? A. Yes.

Q. And the extra miles towed vary from 1 up to—what was the largest? A. Up to six miles, that is six cents charged extra.

Q. Then that would mean the towage of six miles beyond the prescribed limit? A. Yes.

Q. So if that were a correct charge according to the contract they would have carried that material nine miles? A. Yes, exactly.

Q. Well practically nine and a half miles from the place where the dredging took place? A. If it came from the Mission river.

Q. You say if it came from the Mission river it would be towed nine and a half miles? A. Yes.

Q. But if it came from the Kaministiquia river it would be nine miles according to what you have explained to us a few moments ago? A. Yes.

Q. Now, with the exception of 1910 there was towage as high as six miles extra every year apparently? A. Yes, sir.

Q. In the year 1910 what was the reason why so much excess towage was not allowed? A. Mainly on account of the dredging not being proceeded with, or being proceeded with very slowly or the extra three feet required to be performed under contract 7339, to increase the depth from 22 feet to 25 feet. The operations on that head were decreased in the year 1910, therefore there was not so much spoil material by a great deal to be towed and deposited.

Q. Now you have prepared a statement showing the details of the contract performed by the Great Lakes Dredging Company in the year 1910 and 1911, and also in the year 1911 and 1912? Yes, and the season of 1911, that is 1911 and 1912.

Q. One is 1910 and 1911 and the other is 1911 and 1912, the way they are marked? A. Yes.

Q. Contract No. 7339 with the Great Lakes Dredging Company was the one which provided for deepening the water where it had already been dredged to 22 feet, down to 25 feet? A. Yes.

Q. And the total amount of dredging under that contract in the season of 1910 was 119,785 cubic yards, costing $34,541.12? A. Quite so.

Q. Of which the sum of $839.50 was for extra towage? A. Quite so.

Q. And the remainder was at 22½ cents per cubic yard? A. Yes, at 22½ cents per yard, the estimated unit prices.

Q. You don't mean the estimated unit price, but the contract unit price? A. Yes, the contract unit price.

Q. Then in the year 1911 under the same contract the total number of yards dredged were 633,335? A. Yes.

Q. And the total amount paid was $100,227? A. Yes.

Q. Of which $16,977.01 were for extra towage? A. Quite so.

Q. Well can you offer any explanation as to why so much more dredging took place in this extra deepening in 1911 than in the previous year, 1910? A. No, sir.

By Mr. Lake:

Q. Were they employing the same force there, the same number of dredges? A. No, necessarily not, there were only—they were employing the same number of dredges generally, but not on this particular work, no, sir.

By the Chairman:

Q. Now with regard to these details for that year they give month by month under the various contracts of that company the amount which they were paid for dredging? A. Quite so.

Q. And the total paid to that company for the dredging in the season of 1910 would be $650,847? A. That is correct, sir.

Q. And in the year 1911 the total amount was $744,938.44? A. Quite so.

Q. With reference to the yardage, the quantity dredged in 1910 was 3,070,535? A. Yes.

Q. And in the year 1911 the quantity dredged was 4,004,744 yards? A. Yes.

Q. Was that year 1911, the largest year of their dredging do you know, Mr. Dunlop? A. Yes, that was the largest year.

Q. But the amount in 1909 was nearly the same? A. Yes, quite so.

Q. Now referring to Tiffin, that is one end of Midland harbour isn't it? A. Yes.

Q. In 1907 the Owen Sound Construction and Dredging Company Limited had a contract there? A. Yes, sir.

Q. In 1908 it was the Canadian Dredging and Construction Company Limited that had that contract? A. Yes, in 1908 the contract was given to the Canadian Dredging and Construction Company.

Q. That was the first time that company appeared on the scene? A. Yes.

Q. But the same company however did the work in 1909 didn't they? A. Yes.

Q. And in 1910? A. Yes, in 1910 they did.

Q. And in 1911? A. Yes, the same company.

Q. Did the work in 1911 also? A. Yes, the same company under the same name.

Q. Well now, the Owen Sound Dredging and Construction Company Limited apparently got 27 cents in 1907? A. Yes.

Q. And the other company has received 29 cents per yard steadily? A. Yes.

Q. In addition to which the other company has had—well first the Owen Sound Dredging and Construction Company, Limited in the season of 1907 had some cast-over? A. Yes.

Q. For which they received 18 cents a yard, didn't they? A. Yes.

Q. And in the year 1908 there was also some cast-over was there not, Mr. Dunlop? A. Yes.

Q. For which the Canadian Dredging and Construction Company received how much? A. 22 cents a yard.

Q. And in 1909 the same thing? A. Yes.

Q. You have not the figures here for 1910 and 1911 at the present moment I understand? A. No, sir.

Q. In the season of 1907 the Canadian Dredge and Construction Company did some work apparently at Midland harbour didn't they? A. Yes, sir.

Q. How many yards did they do? A. 210,614.

Q. And they were paid how much? A. $54,759.64.

Q. Per yard they received how much? A. They received 26 cents per yard.

Q. That is the same company that the next year took the dredging at Tiffin at 27 cents? A. Yes.

Q. And Tiffin is in Midland harbour? A. Yes.

Q. Now Victoria harbour is quite close to Midland harbour isn't it? A. Yes, you might almost say it forms part of it, I believe they are two different bays.

Q. In the season of 1907 the Owen Sound Dredging and Construction Company did work there? A. Yes.

Q. How many yards did they excavate? A. 124,100 yards.

Q. How much were they paid for that? A. $9,920.

Q. How much per yard were they paid? A. They were paid at the rate of 8 cents per yard.

Q. Who did the dredging at Victoria harbour in the year 1908? A. The work was begun in May 1908 by the Owen Sound Dredging and Construction Company and charged for by them.

Q. At what rate was that? A. That was at the rate of 12½ cents per cubic yard.

Q. How long did they work and how much did they get paid for? A. They got paid for 6,050 yards amounting to $756.25.

Q. Well then in the same season who went on and finished that work? A. The Canadian Dredging and Construction Company of Midland.

Q. In the year 1909 who did the work there? A. The Canadian Dredging and Construction Company.

Q. What amount did they do? A. They dredged 912,866 yards.

Q. And what amount were they paid for that work? A. $179,114.94.

Q. At what rate was that? A. 12½ cents per cubic yard.

Q. Does that return show how many dredges they had working there? A. Yes, sir.

Q. How many? A. Four dredges.

Q. They had four dredges working there? A. Yes.

Q. That was in what year? A. That was in the year 1909.

Q. What were those dredges called? A. They were called Dredge *No. 9*, the *Monarch*, the *Sydenham* and the *Excelsior*.

Q. That is in 1909? A. Yes.

Q. I notice in 1908 instead of the *Sydenham* they had one called the *Maine*? A. Yes.

Q. She does not appear afterwards, do you know whether there was a mere change of name? A. She does not appear, I cannot say.

Q. Do you know anything about the crews those dredges would have on board? A. No, sir.

Q. Can you tell from the returns up in the department? A. There is no evidence at all.

Q. There is no evidence on that point at all? A. No, sir.

Q. Or how many men there would be used or what their cost would be? A. No, sir.

Q. Nothing of the sort? A. No, sir.

Q. You prepared a statement here for contract dredging in the season of 1908 at Collingwood harbour by the C. S. Boone Dredging and Construction Company? A. Yes.

Q. What amount did they dredge that year at Collingwood? A. The cubic yardage was 46,455 yards.

Q. And the cost? A. Costing $47,954.35.

Q. That is an average of more than $1 per yard? A. Yes. Now I might call your attention to the fact that the same dredge did some work at the Collingwood Meat Company at a much less price.

Q. The name of the dredge was the *Kingsford*? A. Yes.

Q. And in October and November of the same year she did some work at what is called the Meat Company's dock, taking out 5,955 yards at a cost of $2,084.25? A. Yes.

Q. So that that one dredge earned about $50,000 nearly that year? A. Yes.

Q. For doing the major portion of the work at Collingwood she received 75 cents for all material except rock? A. Yes.

Q. For doing the work at the Meat Company's dock she only got 35 cents? A. That is correct.

Q. You could not find any contract? A. Not for that work at the Meat Company's dock.

By Mr. Lake:

Q. That was paid for by the company I suppose? A. Yes.

By the Chairman:

Q. The distance towed from the harbour was in every case one mile and a half? A. Yes.

By Mr. Lake:

Q. What year was that? A. That was in the season of 1908.

Q. In 1907 work was being done at Midland by the Canadian Dredging and Construction Company and also by the Owen Sound Dredging and Construction Company was it not? A. Yes, Mr. Chairman, that is right.

Q. Well, the Canadian Dredging and Construction Company got 26 cents didn't they? A. Yes, they got 26 cents per yard.

Q. And the Owen Sound Dredging and Construction Company got 27 cents per yard? A. Yes.

Q. The Canadian Dredging and Construction Company did 210,000 yards? A. Yes.

Q. And the Owen Sound Dredging and Construction Company did 368,000 yards? A. Yes.

Q. And they were both dredging in the same harbour? A. Yes.

Q. Do you know of any distinction whatever between the work? A. No, sir.

Q. I notice that according to your table the Canadian Dredging and Construction Company got the smaller price, but had to tow three miles? A. Yes.

Q. While the Owen Sound Dredging and Construction Company getting the larger price had to tow only one mile? A. Yes, it was a difference of three cents in the cost, I have figured that out. The difference between the 26 and 27 cents and the reduction of towage from three miles to one mile for the higher price meant practically an increase of price per yard of three cents.

Witness retired.

Mr. ROBINS (recalled):

Examined by the Chairman:

Q. At Midland in 1907 the Canadian Dredging and Construction Company tendered for 28 cents per yard and were given the contract? A. Yes.

Q. You produce the tender file No. 304,381 from the Public Works Department? A. Yes.

Q. Being the tenders for dredging received in 1907? A. Yes.

Q. Now for dredging in Midland the Canadian Dredging and Construction Company on the 4th of May, tendered at $2.40 for rock and 53 cents for other material? A. Yes, sir.

Q. The Penetanguishene Dredging Company on the same date tendered at $3 for rock and 57 cents for other material? A. Yes.

Q. And on the same day the Canadian Dredging and Construction Company tendered for $3.50 for rock and 18 cents for other material at Waubaushene? A. Yes.

Q. And the Dominion Dredging Company tendered for $2.50 for rock and 30 cents for other material at Midland? A. Yes.

Q. On the same day the Penetanguishene Company tendered for $3.40 for rock and 16 cents for other material at Waubaushene? A. Yes.

Q. And the Canadian Dredging and Construction Company tendered for $3.50 for rock and 18 cents for other material at Waubaushene? A. Yes.

Q. So we have the Canadian Dredging Company higher at Waubaushene and lower at Midland than the Penetanguishene Dredging and Construction Company? A. Yes.

Q. And we have the Penetanguishene Dredging and Construction Company higher at Waubaushene and lower at Midland than the Canadian Dredging and Construction Company? A. Quite so.

Q. That was the way it worked out? A. Yes.

Q. Well those are the tenders which Mr. Bennett, the member of parliament for East Simcoe, brought before the House of Commons in the session of 1908, and charged that they were collusively put in? A. I understand that to be so.

Q. You have read the "Hansard" and know those are the tenders to which that complaint by Mr. Bennett referred? A. Yes.

Q. Then for the Midland contract the tender of the Canadian Dredging Company was accepted by the acting Minister of Public Works at that time? A. Yes.

Q. The initials 'A.B.A.' refer to Mr. Aylesworth the Minister of Justice? A. Yes.

Q. That acceptance took place of course before the discussion in the House? A. Yes.

Q. Now look at this document I now show you being a tender without date from the Canadian Dredging and Construction Company to do the work at Midland for $2.25 for rock and 26 cents for other material? A. Yes.

Q. So they were asking now 26 cents per cubic yard for the other material that they asked 53 cents per cubic yard for before? A. Yes.

Q. Do you observe the tender is without any date? A. Yes.

Q. Well you see all these other documents I put before you now, the Canadian Dredging and Construction Company were given the contract dated the 9th day of July, 1907, for the work in Midland? A. Yes.

Q. And on the 16th day of July, 1907, the Owen Sound Dredging and Construction Company were given a contract at 27 cents per cubic yard for other material and $2 for rock for dredging at Midland? A. That is at Tiffin.

Q. Which you understand to be a part of Midland harbour? A. Yes.

Q. Do you notice that there is a tender from the Owen Sound Dredging and Construction Company to do that work and that it also is not dated? A. Yes.

Q. That tender is not on the file for the year 1907? A. No.

Q. It is not on the ordinary file for tenders for that year? A. No.

Q. And therefore presumably did not come in with the ordinary tenders? A. No, and neither is that second tender from the Canadian Dredging and Construction Company.

Q. That is not on the ordinary file either? A. No, sir.

Q. Now look at the year 1908—for Midland in 1908 the Canadian Dredging and Construction Company were the only tenderers? A. Yes.

Q. At $2.25 per yard for rock and 28 cents per cubic yard for other material? A. Yes.

Witness retired.

Mr. DUNLOP (recalled):

Mr. DUNLOP.—I would like to remark that a noteworthy feature of the work done at Tiffin and Victoria harbour, Ontario, is that the dredging work was begun in May, 1908, by the Canadian Dredging and Construction Company, Limited, while the contracts authorizing the same were not executed until the 4th of August, 1908.

By the Chairman:

Q. Mr. Dunlop, you produced a contract dated the 4th of August, 1908, with the Canadian Dredging and Construction Company for the work done in the harbour at Tiffin? A. Yes.

Q. At the rate of 29 cents per cubic yard for other material and $2.25 for rock? A. Yes.

Q. That was on an undated tender? A. Yes.

Q. Now, will you look at the cotract just before that which I gave you? A. This is an undated contract also.

Q. Have you there the contract for 1908, for Midland? A. Yes, there it is.

Q. But this is made in 1908, at the end of 1908, but there is a contract for 28 cents, a contract with the Canadian Dredging and Construction Company, in Midland for 28 cents, 6892 is the number?

Mr. MACFARLANE.—If I may be permitted to speak I would say that that number is not here, we never had that tender.

Q. That contract that you just spoke of was made in August, Mr. Dunlop? A. Yes.

Q. Well, that would not apply to what was done in the spring? A. Yes, they did apply it, they applied it to all the work which had begun in May and was done under those prices named in August.

Q. I think you are mistaken, because if you look at it you will see that there was a contract made bearing the number 6892? A. The work was begun by those people in May, 1908, and carried on and paid for without a contract being signed. This contract authorizes back to May.

Q. Well, it does not: it doesn't say anything about authorizing back to May, and here we have it on a list that the contract was given. According to Mr. Taylor's statement 28 cents was paid during that year? A. None of us seem to have seen that contract of 28 cents. I have it in the margin here charged for Owen Sound Dredging and Construction Company begun in May.

Q. How did they have anything to do with it? A. They had the contract in 1907, and in the spring of 1908, apparently the Owen Sound Dredging and Construction Company wanted to go out of business and transferred their plant to the Canadian Dredging and Construction Company who had got a charter in the year 1908, but the thing was not completed amongst themselves until June, and the Owen Sound Dredging and Construction Company sent in their bills for the first two months.

Q. And then they went on getting 29 cents? A. Yes.

Q. According to the memorandum of contract that we have they were only entitled to 28 cents? A. Well, they got 29 cents, I never heard of 28 cents.

Witness retired.

Mr. TAYLOR re-called.

By the Chairman:

Q. Mr. Taylor, you have prepared a statement here which you call a summary of the dredging done at Georgian bay under the headings of contractors' names and the year in which it was done? A. Yes.

Q. Does that include all the contractors in Ontario, contractors in Ontario during those years? A. For those Georgian bay points.

Q. You have just selected more of the important points? A. Yes, I have also selected one or two that are not Georgian bay but are also important.

Q. Well, now we find for instance W. L. Horton, he did work at Goderich? A. Yes.

Q. For which in the year 1907 his price for rock was $3 and for other material 25 cents per cubic yard? A. Yes.

Q. In 1908 and 1909 his price for rock was $4, and for other material 35 cents per cubic yard? A. Yes.

Q. And in 1910 he dropped back to how much? A. To $2.75 cents for rock.

Q. And to 25 cents for other material? A. Yes.

Q. Now R. Weddell & Company, they have done dredging at four places which you name? A. Yes.

Q. At Thornbury in 1907 and 1908 they have charged 34 cents for other material than rock? A. Yes.

Q. And in 1910 they have been paid 24 cents for other material than rock? A. Yes.

Q. At Owen Sound in 1910 they charged only 14 cents for other material than rock? A. Yes.

Q. And at Lyon's Head, in 1910 they charged 22 cents for other material than rock? A. Yes, sir.

Q. Now, take A. F. Bowman, who has done quite a large amount of dredging at various places? A. Yes.

Q. In the year 1907 at Owen Sound he was paid 13½ cents per cubic yard for material other than rock? A. Yes, that is for casting over.

Q. Well, he had 20 cents for material other than rock in 1907 at Owen Sound? A. Yes.

Q. And the next year he was paid 25 cents per cubic yard for the same material? A. Yes.

Q. And at Waubaushene in 1907 he was paid 13 cents per cubic yard for the same material? A. Yes.

Q. And in 1908 he was paid 19 cents for the same material? A. Yes.

Q. While at Penetanguishene in 1907 he had 14 cents for the same material? A. Yes.

Q. The prices in 1907 he received all apparently low? A. Just quite low.

Q. At Wiarton in 1907 he had 20 cents per cubic yard and in 1908 he had 24 cents per cubic yard? A. Yes.

Q. C. S. Boone, or the Boone Manufacturing and Construction Company, are they the same now? A. Yes.

Q. Boone became the company? A. Yes.

Q. At Wingfield basin in 1907 for other material than rock he got 65 cents per cubic yard and in 1908 he got 75 cents per cubic yard? A. Yes.

Q. At Blind river in 1907 he got 16½ cents for material other than rock? A. Yes.

Q. And in 1908 he got 23 cents for the same material at the same place? A. Yes.

Q. At Spanish river in the year 1908 he had 25 cents for material other than rock? A. Yes.

Q. And in 1909 he got 12½ cents for material? A. Yes.

Q. The Owen Sound Dredging and Construction Company at Victoria harbour in 1907 got 8 cents per cubic yard and in 1908 got 12½ cents per cubic yard for material other than rock? A. Yes.

Q. Do you know who constituted the Cape Breton Dredging Company who worked at Rondeau in the year 1909? A. I have no knowledge.

Witness retired.

The Commission then adjourned.

OTTAWA, March 27, 1912

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Examination of GORDON M. GRAHAM, superintendent of dredging in the province of Nova Scotia, aged 36 years.

Examined by the Chairman:

Q. When were you appointed to your present position, Mr. Graham? A. I don't know whether it was in June of 1906 or 1907, but I think it was in June 1907.

Q. What is your profession or trade? A. I have been a purchasing agent all my life previous to going into this service, and for a few years I was in the shipping business personally.

Q. When first appointed you resided at Pictou? A. At North Sydney.

Q. And you afterwards moved to where? A. To New Glasgow, that is my home.

Q. Over how far does your jurisdiction extend Mr. Graham? A. Over all Nova Scotia.

Q. Your jurisdiction extends over all Nova Scotia? A. Yes.

Q. Even at the western end? A. Yes, the whole province of Nova Scotia.

Q. Accounts certified by you however are paid at St. John, New Brunswick? A. Yes, I think all are paid there.

Q. All the maritime province accounts are paid at St. John, New Brunswick? A. Yes.

Q. Then you correspond with Mr. Scovil at St. John as well as with the department here? A. Yes, except that Mr. Dufresne is my superior officer here. Mr. Scovil's position and mine are relatively alike over the two districts.

Q. Except in the matter of the payment of accounts which is all done at St. John? A. Yes.

Q. When you say Mr. Dufresne is your superior officer what about the general superintendents of dredging? A. Well we consult with the superintendents of dredging always but more particularly with regard to repairs, but our orders all reach us directly from Mr. Dufresne.

Q. You do not then mean to say that no orders come to you at all from the general superintendent of dredging? A. Oh, yes, if the general superintendent sent me an order to perform any work or have it done I would certainly obey it.

Q. Does he do so as a rule? A. Very rarely, he frequently visits us and gives us verbal orders.

Q. Then you are right, according to the practice, in your statement that you get your instructions from the assistant chief engineer Mr. Dufresne? A. Yes.

Q. Now with reference to the employment of tugs for dredges for instance, what do you understand to be your general instructions? A. Well when a tug boat is required I hire one. When we start dredging in the spring, for instance, we have to supply tug service for our dredges, and I engage the tugs in the province of Nova Scotia.

Q. Do you make the bargains for them? A. Yes.

Q. Do you act without express authority in engaging a tug? A. You mean from headquarters?

Q. Yes? A. Yes, sir.

Q. In other words then, if you think a tug is necessary you go and hire one? A. Yes, sir.

Q. You do not first report it and obtain authority from headquarters? A. No, sir.

Q. That has not been your custom, Mr. Graham? A. No, it is an understood thing that we will have to have tug boats, and it is sometimes a very difficult matter to get them, so we do not report them at all, but when a tug boat is required we engage it.

Q. I am just trying to ascertain what is your conception of your own general authority. Then your action in that way has always been confirmed by the department? A. Always.

Q. They never repudiate the payment of any bills that you may incur in that way? A. I don't think so.

Q. On the ground that you had no authority or anything of that sort? A. No, sir, not to my knowledge.

Q. Now with relation to the employment of the tug *Mersey* from Hatt of Liverpool, you remember the circumstances I presume, Mr. Graham? A. Yes, sir, perfectly.

Q. Well in the first place on March 30, 1911, you wrote a report on the question in which you concluded as follows: "I claim now, however as I have formerly done, that he is not entitled to payment, for reasons that the services charged for were not performed." You remember writing that report Mr. Graham? A. Yes.

Q. Then in October last you came to Ottawa on an express summons, did you not? A. Yes, sir.

Q. And you signed a paper which was a report from the assistant chief engineer to the deputy minister? A. Yes, sir.

Q. Concluding with these words: "Mr. Graham is now of the opinion that his actions in connection with this matter imply an obligation on the department to fulfil the conditions of the verbal agreement to hire the tug *Mersey* for the sum of $40 per day," do you remember signing that, Mr. Graham? A. Yes, sir.

Q. Well, that is one of the subjects I want to get you to explain to-day. What was the cause of your change of opinion? A. We were looking——

Q. What was the cause of your change of opinion, Mr. Graham? You said in one of those documents that you claim that he is not entitled to payment and in the other document you state that there is an obligation of the department to fulfil the conditions of a verbal agreement to hire the tug *Mersey* for the sum of $40 per day? A. In the first place my statement that he had no claim was on the ground that he had not performed the work, that the tug boat, we had not used the tug boat, and I have said in the first place that we had no stated contract and that there was no obligation except a moral obligation with him, and I thought we should not pay him.

Q. Why? A. Because we did not use his boat.

Q. But if you had engaged his boat and if there was a moral obligation you would not try to escape it on the ground that you did not use his boat, would you? A. No, sir, I would not, but I felt it was only a moral obligation, and instead of paying for the services of the boat for the whole period that perhaps a compromise might be made.

Q. When you say there was only a moral obligation, is not that binding on a man who can pay? A. I don't think it would bind for the whole period, that was what I was aiming at when I made the statement.

Q. Why did you not say so in your report? A. I do not really remember now the total contents of that report, but that was the point I made I know.

Q. Now we will get back to the fact on which you base that opinion, in the first place how much was he to receive per day? A. $40.

Q. During the whole of this period for which he was afterwards paid she was idle I understand? A. Yes, sir.

Q. Lying presumably at the wharf tied up? A. Yes, at Liverpool.

Q. Consequently she would not be using her coal? A. I claimed she would not be using her coal.

Q. Or her other supplies? A. Exactly, or crew.

Q. Would she have all the same crew? A. Well, I believe that Hatt stated that she had all the crew on board and was under steam.

Q. Well, but did you cause any examination to be made into the question as to whether he did in fact have all the crew on board? A. No, sir.

Q. No evidence on that point was taken? A. No, sir.

Q. Do you believe the statement that during every day of that period she was under steam? A. Well, the only thing that I know in connection with it is that Mr. Hatt told me in Mr. Dufresne's presence, he made the statement that that boat was under steam continually.

Q. You took no evidence to see whether it was or not further than that? A. No, not further than that.

Q. Now, Mr. Graham, under the circumstances of the case do you believe that that boat was under steam every day during that period, that is during part of July, the whole of August, the whole of September and part of October, that she was under steam every day? A. No, sir, I do not, I do not think she was.

Q. It does not stand to common sense does it that she would be under steam all that time? A. Well, some days of course she would not be and you would have to have during some part of the week or month a low down day.

Q. And in addition to all that getting her under steam to respond to an order from you, if she was not under steam possibly would only occupy a few hours wouldn't it? A. Yes, I should think so for a boat her size.

Q. If she got word in the morning for instance, that you wanted her, supposing she had no steam on, late in the afternoon she would be, would she not? A. Yes, sir.

Q. So there was no need of keeping her under steam daily all the time in order to respond to an order from you? A. No, sir, except while the dredge was working there. During part of the time the dredge was working there in the harbour.

Q. But she was not serving the dredge in the harbours? A. No, but she might be liable to be called on.

Q. You had hired her to move her to Bras d'Or? A. Yes.

Q. How far away is that from Liverpool? A. I should think about 300 miles.

Q. A couple days sailing for her? A. Perhaps more for her, she is a small boat.

Q. Well, assuming that she had good weather she would not take more than three or four days to get down? A. Yes.

Q. So it was not likely that if you should call for her that a matter of a few hours need make much difference? A. No.

Q. And consequently there would be no need of keeping her under steam all the time? A. No, I don't think so.

Q. Well then in the next place her consumption of coal from keeping up her steam at the wharf would be pretty much less than her consumption of coal if she was working? A. Yes.

Q. Very much less? A. It would have to be, of course different boats would have different ratios in that respect, but it is a very safe thing to assume that her consumption of coal would be less.

Q. Is it not absolutely correct, that anybody in the world would be safe in saying that there would be less coal consumed keeping up steam in the wharf when she is not using her steam? A. Yes, but I don't know what the ratio would be.

Q. Lying at the wharf her own wear and tear would be little or nothing to what it would be if she were busy at work? A. Yes, that is right.

Q. However you say that these matters were not inquired into except by the verbal statement of Mr. Hatt himself here? A. Yes, I would not say, I did not perhaps discuss the matter through the season with other dredge men——

Q. Never mind any discussion you may have had with any of your dredge men, I was asking about making any inquiry and taking any evidence on the point. Now, you were asked in October to sign this paper in October last. When you were asked to sign that paper did you point out that a compromise should be made? A. I do not think I mentioned a compromise, I discussed the whole matter with Mr. Dufresne.

Q. Did you discuss the whole matter with Mr. Dufresne without saying a word about a compromise or suggesting that the full payment ought not to be made? A. No, sir, I think I made the statement that he should either be paid nothing or paid the full bill.

Q. Well, if you made the statement that she should be paid nothing or paid the whole bill, what becomes of your statement that you made a few moments ago about a compromise? A. That was my own opinion, and Mr. Dufresne of course said that was a foolish statement to make, and I realized that perhaps it was.

Q. Mr. Dufresne said it was a foolish statement to make—which statement did he say was foolish? A. That the whole bill should be paid or nothing. I said to Mr. Dufresne that either the whole bill should be paid or nothing should be paid.

Q. But you say that your idea from the first was that there was a moral obligation to do something and you thought that a compromise ought to be made? A. Yes.

Q. Now then, if that be so, how can you reconcile it with your statement now that you said to Mr. Dufresne that all should be paid or nothing? A. Well, only in this way: I discussed the matter with a great many people and the controversy started and a great many with whom I discussed it told me that we were responsible for the whole hire.

Q. Now you are talking about legal responsibility and I am not discussing that at all, you told me that you were of opinion that there should be a compromise and I asked you if you had said that to Mr. Dufresne or to any one else? A. No, sir.

Q. Did you suggest it to Mr. Dufresne when you were talking to him? A. I don't think so.

Q. Then you did say to Mr. Dufresne that in your opinion that whole bill should be paid or nothing should be paid? A. Yes, sir.

Q. And he told you that was a foolish statement to make? A. I do not know that he used those words that it was a foolish statement but he said something to that effect.

Q. He either said it was a foolish statement or words to that effect? A. Yes.

Q. Did he say it should or should not be paid? Which view did he advance in talking to you? A. I do not think he expressed any definite opinion.

Q. Well now we will get down to the position itself. What were you doing in Liverpool, Nova Scotia, in the month of July, 1910? A. We had a dredge working there at the time and I was there on inspection.

Q. What dredge did you have working there at that time? A. The dredge *Canada*.

Q. Was the tug *Mersey* attending on her at the time? A. Yes, sir

Q. Daily? A. Yes, sir.

Q. How much was she receiving per day for attending on the dredge *Canada* there at Liverpool? A. I think she was receiving at that time $30 per day.

Q. $30 per day for attending on the *Canada* at Liverpool? A. Yes, I think so.

Q. Well, was she the only tug attending on the *Canada*? A. At that time, yes, sir.

Q. Now the *Cape Breton* was working at Little Bras d'Or? A. Yes, sir.

Q. She had a tug attending her, I suppose? A. Yes, sir.

Q. And you wanted another tug? A. Yes, we needed a light draught tug.

Q. Was the *Mersey* a light draught tug? A. Yes, sir.

Q. Why didn't you use her? A. She was at that time with the *Canada*.

Q. But when you arranged for her was it to use her? A. She was working with the *Canada* and we hired another boat for the *Canada* intending to use the *Mersey* for the *Cape Breton*.

Q. I know you did, and I am asking you now why you didn't use her with the *Cape Breton*? A. I discovered that her draught still was too heavy, and we got a very much lighter draught boat.

Q. Why didn't you at once cancel any arrangement that you had made with Mr. Hatt when you discovered that her draught was too heavy and that you had to get another boat? A. The arrangement was I wired Mr. Hatt after I got to North Sydney, that I didn't think the boat would suit.

Q. Now, in your letter you say: "Being in Liverpool on an inspection trip on July 1, I talked with Captain F. W. Hatt as to the possibility of securing even there a boat suitable for the work referred to. Mr. Hatt impressed me with the idea that a boat could be had which could satisfactorily perform the work which we required of her at Little Bras d'Or"? A. Yes.

Q. Now, then Mr. Hatt says: "Mr. Graham asked me if I would send my boat to Little Bras d'Or. I told him I would rather not as her insurance would only allow her to go twenty-five miles distance. Mr. Graham told me if I would allow to let the *Mersey* go I would lose nothing by it. I told him if I could get another boat to replace the *Mersey* I would let her go." Now, Mr. Graham, which story is true? A. I didn't quite catch that.

Q. Well, you wrote here that you merely asked Mr. Hatt a general question as to the possibility of securing a boat suitable for the work referred to in Little Bras d'Or? A. Yes.

Q. And Mr. Hatt says that you asked him definitely if he would let the *Mersey* go? A. Yes.

Q. Now, which statement is true? A. I think both statements are true, so far as the statements are concerned, except the *Mersey*, I don't know that that is the statement——

Q. Well, what did you ask him? A. I asked him if he could get us a boat with a very light draught and fairly good power to work at Little Bras d'Or in a heavy season.

Q. And what did he say? A. From memory, I can't say.

Q. Well, it must be from memory, of course, because it is all memory? A. He told me, I am pretty sure, that he could secure a boat that would suit us.

Q. Did you tell him to do so? A. My understanding was that he was to endeavour to find a boat for us. I don't know that he was immediately to go to work and engage another boat, but I understand he did.

Q. Was he to find a boat for you to go to Little Bras d'Or or was the *Mersey* to go there? A. He was to find a boat to take the place of the *Mersey* and to let the *Mersey* go.

Q. Did you leave him in this way, that he was to endeavour to find a boat to take the place of the *Mersey*, and if he could find one the *Mersey* was to go to Little Bras d'Or? A. Yes.

Q. Was that clearly and definitely understood? A. In a general way it was understood, sir, I did not consider it definitely settled at the time.

Q. You did not consider it definitely settled at the time? A. No, sir.

Q. Was anyone present when you were talking about the matter? A. The captain of the dredge may have been present at the moment, but I am not sure. We met him going up from the dredge to his office, and whether he stayed with us when we were talking I don't remember.

Q. But you understood that there was a definite arrangement that if another boat could be got to take the place of the *Mersey* the *Mersey* was to go, or that you

would let him know after he found out whether he could get another boat? A. That was what I understood.

Q. To the best of your knowledge and belief did you convey that impression to him? A. Not intentionally, I meant to say in a general way that I was trying to find a boat, and I was surprised to know that he could get a boat satisfactory for the work at Little Bras d'Or, and we discussed the matter pro and con as to the relative values of the different boats. Apparently he got the impression from me, of course I asked him if I could get a boat for the *Canada* in place of the *Mersey*, would he let the *Mersey* go, and he apparently had the impression immediately that she was engaged.

Q. Now never mind his impression, but let us have your knowledge of it. When you left Liverpool what was your understanding about the situation? A. That if he could get a boat to take the place of the *Mersey* with the *Canada* we would take the *Mersey* to Little Bras d'Or.

Q. That you could take her? A. Yes, that we would take her.

Q. Your impression was that if he could get a boat to take the place of the *Mersey* with the dredge *Canada*, you would take the *Mersey* to Little Bras d'Or? A. Yes.

Q. Now he says in speaking of what he did to get another boat, he says: "I then telephoned to Mr. Neville at Halifax, and Mr. Houman's at Port Macoun, and finding neither party at home, telephoned to Mr. Tusket and could do nothing. I then telephoned Mr. Albert J. Luds at Digby, and he said I could get his boat and he only wanted one day to get her ready to leave. I then saw Mr. Graham and told him I could get the *George L* from Mr. Luds, and we then made a bargain for the *Mersey* at $40 a day, beginning with the *George L*, then at Digby, which was July 23, 1910. Mr. Graham told me to get the *George L* as quickly as possible and get the *Mersey* ready to leave and wire him when sailing"? A. Yes.

Q. Then this was not at the time you had the first interview with him that you made the bargain for $40 per day? A. I was there during the day and talked with him several times during the whole of this day.

Q. It was on the same day? A. Yes.

Q. But at a different time on the same day? A. Yes.

Q. Well now he says here definitely: "We then made a bargain for the *Mersey* at $40 a day beginning with the *George L*, then at Digby, which was July 23, 1907"? A. Yes.

Q. What do you understand by that—what did take place? A. Well just exactly as it says there. I told him if he could get a light draught boat for Little Bras d'Or we would take the other boat.

Q. He says, "I then saw Mr. Graham and told him I could get the *George L*

Q. When he told you that did you make a bargain for the *Mersey*? A. I don't think so.

Q. Now what do you mean by that? A. The reason I say that is because the conversation that took place during the whole of a day, and it was not definitely settled.

Q. What was not definitely settled when you left Liverpool? A. The whole scheme.

Q. You say the whole scheme was not definitely settled when you left Liverpool? A. No, sir.

Q. What was the part that was left unsettled? A. The part in connection with the *George L*.

Q. What was that? A. Whether she was a suitable boat or not.

Q. He says, 'I then saw Mr. Graham and told him I could get the *George L* from Mr. Luds, and we then made a bargain for the *Mersey*"—so there was no further question about that? A. I think he wired me that afterwards.

Q. He says he told you that day again, but you think he afterwards wired you about that *George L.*? A. I think so. ,

Q. Then you knew at some time or other that the *George L.* could be obtained to tend on the *Canada*? A. Yes.

Q. And that would leave the *Mersey* free? A. Yes.

Q. And you had agreed with Mr. Hatt to give him $40 per day for the *Mersey* if he could get another boat? A. Yes.

Q. Was not that a clear bargain? A. Yes.

Q. Well then, what still remained to be settled, Mr. Graham? A. As I got there I discovered that the *Mersey* would not suit us, and I do not know whether I telegraphed or wrote to Mr. Hatt, but I think I telegraphed.

Q. In your letter of March 30, you say: 'After leaving Liverpool and returning to North Sydney, I at once went to Little Bras d'Or in connection with the same matter, and in discussing the situation with local people, and procuring some information, I concluded that the boat in view could not satisfactorily work there and telegraphed Mr. Hatt accordingly.' A. Yes.

Q. Mr. Hatt on the other side says: 'Mr. Graham told me to get the *George L.* as quickly as possible and get the *Mersey* ready to leave, and wire him when sailing.' In that he is referring to the day when you made the bargain with him for $40 per day? A. Yes.

Q. Did you tell him to get the *George L.* as quickly as possible? A. I think probably I did, because if we were to use her at all we would have to have her quickly.

Q. But if you had to wait to get to Bras d'Or to find out if the *Mersey* would suit how could you tell him to get the *George L.* as quickly as possible? A. I was making the arrangement at Liverpool and it was after I got back that I found the *Mersey* would not suit.

Q. Had you made arrangement to take the *Mersey* in any case, or was the arrangement that you were to find out at Little Bras d'Or whether she would suit or not? A. I think we made the arrangement at Liverpool but not to close it.

Q. Well what do you mean by that? A. I wanted to get a boat, and she was the most suitable boat I could see, and I was not even too clear then that she could work at Little Bras d'Or.

Q. But what did you tell Mr. Hatt? He would not order the *George L.* to go to work with the *Canada* unless he had a definite arrangement with regard to the *Mersey* that she was to go somewhere else? Now was there a definite arrangement that the *Mersey* was to go to Bras d'Or or was he to wait until you got to Bras d'Or and send him word? A. I think the arrangement was to get the *George L.* if he could to Liverpool.

Q. Then we will get down to the point: you did make a definite arrangement with him for the *Mersey* at that time? A. Yes, sir.

Q. And it was a change of mind on your part after you got back to Little Bras d'Or? A. Yes.

Q. Now he says: 'On Monday morning, July 25, at 2 a.m. the *George L.* arrived and started work at 6 a.m. the same day. On July 25 I wired Mr. Graham, saying, "*Mersey* sails for Little Bras d'Or to-morrow. Tug *George L.* taking her place here." On the same day at 8.20 I received a message from Mr. Graham saying, "Await my letter before doing anything *re* tug."'? A. Yes.

Q. That wire was probably sent by you from Little Bras d'Or? A. Yes, or from North Sydney.

Q. That is what you meant when you say that you concluded that the *Mersey* could not satisfactorily work and you telegraphed Mr. Hatt? A. Yes.

Q. You see that all you told him was to wait your letter before doing anything *re* tug? A. Yes.

Q. Mr. Hatt goes on to say: 'On July 26 at 9.50 a.m. I received the following telegram, saying, 'Do not allow *Mersey* proceed until receive my letter, very much afraid she cannot work Little Bras d'Or, wire me on receipt of letter"'? A. Yes.

Q. Now you knew at that time that the *Mersey* was lying at your orders, did you not? A. Yes.

Q. And you knew that the *George L.* had taken her place at Liverpool in attending on the *Canada*? A. Yes.

Q. And consequently you knew then that the *Mersey* was at the expense of the department, you understood that? A. Yes.

Q. Well then, Mr. Hatt goes on to say: 'On July 29 not having received any letter, I asked Hon. A. K. Maclean, he being here, to wire Mr. Graham. He did so, and received the following reply: "To relieve a difficult situation at Bras d'Or proposed use additional tugs. Hatt's only one in view, but pending soundings very much afraid even *Mersey* cannot be utilized. Expect to get this during day and as already advised will immediately instruct Hatt. Spent yesterday there in connection with matter." Having no work from Mr. Graham of any kind, on August 1, I wrote him as follows: "I have been waiting for word from you for some time but have not yet received any. I wish you would arrange this matter as soon as possible."' Then he goes on at some length in that letter and then further on he says: 'On August 4 not hearing from Mr. Graham I took the train and went to Sydney, arriving at North Sydney Friday morning, August 5, at 9 a.m. I saw Mr. Graham and he told me I would be paid for my boat, and as he could not put her in at Little Bras d'Or he would put her to work at the very first opening.'? A. Yes.

Q. Is that true, Mr. Graham? A. Yes, sir.

Q. Then you knew during the whole of that time, you knew then that the *Mersey* was lying at Liverpool subject to your orders? A. Yes.

Q. And consequently was at the expense of the department? A. Yes.

Q. What was the cause of the delay? A. In getting the soundings at Little Bras d'Or.

Q. You knew before August 5 that you could not put her at Little Bras d'Or, because you told him on August 5 in the morning that you couldn't use her there? A. Yes, sir, he went to Little Bras d'Or with me from North Sydney. I took him there to show him the conditions there.

Q. And then again he said, 'If nothing turned up before the *Canada* went from Port Matoun to Shag harbour he would put her there.' He says you said that? Did you tell him that? A. I think likely, but I cannot remember all those things, just exactly what I said.

Q. But you knew that the *George L.* was working attending on the *Canada*? A. Yes.

Q. Under charter with Mr. Hatt? A. Yes.

Q. And that the *Mersey* was lying idle waiting for orders? A. Yes, sir.

Q. Why did you not terminate the contract at once and tell him you had no further use for her? A. I should have terminated it right there and then, but I didn't do it, I didn't know he had a whole season's contract.

Q. But you knew surely that he had an agreement with you for $40 per day which was going on until you stopped it? A. That is what he told me.

Q. And you couldn't expect this boat to be tied up there and not paid for? A. We did lose considerable time after hiring her but it is so difficult to find a boat in Nova Scotia suitable to cross the bar that I left it longer than I should.

Q. He says further: "On August 25, having had no word from Mr. Graham I wrote him for certain instructions but received no reply." Why did you not answer that? A. I don't know why that was not answered.

Q. Then he goes on: "On September 6 not hearing from Mr. Graham I wrote him for certain instructions and also if he intended for the *Mersey* to go to Shag

harbour with the *Canada* and received no reply." Then he goes on as follows: "On September 27 I wired Mr. Graham as follows: 'Dredge *Canada* completes work at Port Matoun this week. Do you want *Mersey* to go west with *Canada*? Kindly reply.' Having no reply on October 3 I wired Mr. Graham as follows: 'Understand *Ralph* going west with *Canada*. What are you going to do about *Mersey*? If no reply to-night will report to department. Having received no towing checks since June.' On October 3 I received the following telegram from Mr. Graham from Yarmouth: 'Will wire you instructions tomorrow re *Mersey*. Have wired my office forwarding the outstanding accounts immediately. Explain to you shortly." He received no instructions and he wrote to you and wired to you throughout October on several occasions and you made no answer? A. I think we answered from Yarmouth.

Q. On October 3, he says: 'We have received the following telegram from Mr. Graham from Yarmouth—'Will wire you instructions to-morrow *re Mersey*. Have wired my office forwarding the outstanding accounts immediately. Explain to you shortly.' Now, there you say you will wire him instructions to-morrow, and you did not wire him any instructions. That thing has gone on from July down to October, and I want to know what explanation you can give for not having terminated the arrangement with him? A. I have no explanation to give, Mr. Morine, except that I kept away from it rather than get into a hole over it. I thought I was steering away from it.

Q. You knew that the man was holding his boat to your orders? A. He used her once or so I think in the meantime.

Q. He was telegraphing you frequently and writing you and you were paying no attention to his telegrams or letters except occasionally, so you knew all the time what the position was? A. Yes, sir.

Q. And you knew you had the boat there didn't you? A. Yes, I knew the boat was there.

Q. Now, during this time did you write to the department here telling them the position and asking for instructions?

WITNESS: With regard to this boat?

Mr. MORINE: Yes.

WITNESS: No, sir.

Q. Did you inform them at any time during the summer of what you had done in the matter? A. I think not, I am not certain about that.

Q. Was Mr. Howden, the general superintendent, there during the year 1910? A. Yes, sir.

Q. Did you explain the circumstances to him? A. Yes, sir.

Q. What did he say about them? A. He said he thought the best thing to do was for the department to pay the bill.

Q. He said that in 1910—I know he was down there in 1911? A. The year this hire was on, he was there, and I discussed the matter with him.

Q. Late in the year or early? A. I think it must have been in the fall.

Q. That is after the whole thing was over? A. Well, near that, it would be in the fall, I couldn't say exactly, but I know it was late in the summer.

Q. Acting on his instructions, what did you do? A. I don't think we did anything at the time.

Q. It still went on? A. Excepting that I discussed the matter with him in a general way as if I were discussing it with any other official.

Q. Now, you said in your letter of March 30, 1911: 'He (that is Hatt) rendered bills however each month for services performed and on the first occasion this was done I returned the account in the usual way to the captain for his certificate. He advised me that no services were performed by the boat and I consequently refrained from passing his accounts for payment. The same accounts for subsequent months were rendered in the same manner and certification of work performed was refused.'

So it was quite clear from that, Mr. Graham, that you knew every month that Hatt was claiming his pay for that boat? A. Yes, sir.

Q. And you knew that she was not being used, didn't you? A. Yes, sir, except on one occasion.

Q. Well, if you knew she was not being used, why go through the farce of sending it to the captain for his certificate? A. That was the first month.

Q. You said each month—'I returned the account in the usual way to the captain for his certificate?' A. Well, in one month, I cannot remember which month it was, he had done some service with the boat.

Q. You say the captain advised you that no services had been performed, but you knew that already? A. I knew it then.

Q. You had employed this boat in order to have her go to Bras d'Or? A. Yes.

Q. And you knew she had not gone there? A. Yes, sir.

Q. Now, I am giving you an opportunity for your own sake to explain if you can, why you kept that boat engaged the whole summer at $40 per day and never terminated the contract or did nothing to get clear of it? A. There is only one explanation for it.

Q. What is that? A. I make it frankly, I neglected to terminate the contract.

Q. I cannot accept that, because you were not allowed to neglect it? A. I neglected it for the reason that I felt that a mistake had been made in the matter and I avoided doing anything in connection with it which of course was wrong.

Q. Although you had made arrangements to employ her, you had not arranged to employ her for any definite time? A. No.

Q. Consequently you could at any date have notified Hatt that you did not want her, couldn't you? A. Yes.

Q. Then why didn't you do that? A. Well, I can't at the moment explain that.

Q. He would simply send the *George L.* back and put the *Mersey* at work on the *Canada*? A. That is the difficulty, she was under charter.

Q. I cannot accept your statement that you neglected to do it in the real sense of the word, but because you were not allowed to neglect it; Mr. Hatt was wiring you and sending in bills to you, so it was not a case of neglect or forgetfulness, it was a plain straight case of not doing it, wasn't it? A. Yes, sir.

Q. If you had any doubt in your mind as to your position why did you not write to the head of your department in Ottawa for instructions? A. I should have done so but avoided it. I did not do it. We rarely have any communication with the head of our department with reference to tow boats at any time.

By Mr. Ducharme:

Q. Was it a determination on your part to leave it there all summer? A. No, sir.

Q. It was not for a determination to leave it there all summer that neglect? A. No, sir.

Q. Were you in any relation with the captain of the tow boat? A. No, sir.

Q. You were not in any relation with him at all? A. No, sir, I don't know him very well either, friendly or otherwise.

Q. Well, were you at that moment under the impression that you were to pay that man for his tug? A. Yes, sir.

Q. Well then it was a deliberate intention to keep that tug at the wharf and give him $40 per day on your part? A. I don't understand you.

Q. I say it was a deliberate intention on your part to leave the tug there at $40 a day, doing nothing? A. Well—

By the Chairman:

Q. I think you don't understand, Mr. Graham. Mr. Ducharme is asking was it your deliberate intention to keep the vessel there doing nothing? A. No, sir.

By Mr. Ducharme:

Q. Well, why not report it? A. I should have, but did not do it.

Q. I can understand a man forgetting his duty for a day, but not for three months. There seems to be something else that you did not tell us? A. No, I do not think there is anything that I have not told you.

Q. You say she was working for a day or so during the summer? A. Yes, sir.

Q. Was she paid for that? A. Yes, for the time that she worked.

Q. Who paid it? A. The department.

Q. On your recommendation? A. Yes, it was a separate account, because she was used for removing some dredges.

Q. Did Mr. Hatt send you a separate bill for that? A. Yes.

Q. Did you tell that to the department? No, sir.

Q. That was a strong point in your favour? A. It was rendered for work performed for another dredge.

Q. Not for the same dredge? A. For the *Canada*, yes.

By the Chairman:

Q. But Mr. Ducharme means that you were giving her $40 a day for the whole season on this contract? A. Yes.

Q. And during a part of that time you were paying her for other work? A. Yes, sir, for the work she performed.

Q. Why not take that out of the $40 a day that you were paying her for the whole season? A. Well, I suppose that should have been taken out.

Q. Do you know how much it was? A. I think it was two, or three or four days' service.

Q. Not more than two or three or four days' service? A. No, not more than that.

Q. Did you tell the department here at Ottawa, did you remind them that she had been paid for part of her time? A. I don't think I did, I am not sure.

Q. Did you get another boat to do the work she was intended to do? A. Yes, sir.

Q. How much did you pay her? A. $30 a day.

Q. You got another boat to do that same work and only paid her $30 a day? A. Yes.

Q. Now we were talking a minute ago about steam. How long would it take to get up steam on a boat? A. On a boat of that kind I think about four or five hours.

Q. Are you positive of that? A. No, sir.

Q. I should think it would take less than that to get up steam to a pressure of fifty pounds? A. Perhaps.

Q. Did Mr. Hatt at the time ask you for work? A. No, sir.

Q. The only thing he did was to send you his bill every month? A. Yes, sir.

Q. But he never offered his services? A. No, sir.

Q. Whenever he saw you did he say: 'Here is my tug waiting for you'? A. I only saw him once.

Q. He never protested to you? A. By letter he did.

By Mr. Lake:

Q. How many tugs has Mr. Hatt? A. Only one that I know of.

Q. Did you employ this tug again the following year? A. The *Mersey?*

Q. Yes? A. Yes, sir.

Q. At what rate did you employ her? A. I think she was engaged at $30 a day.

Q. For the season of 1911? A. Yes, sir.

Q. Did Mr. Hatt make any suggestion to you with promising this bill of 1910, in connection with the hiring of the tug during the season of 1911? A. No, sir.

Q. None whatever? A. No, sir.

By the Chairman:

Q. Why did you pay $40 for her in 1910 and only $30 in 1911? A. To go and work on Little Bras d'Or he would have to put the insurance up higher.

Q. But not $10 a day more? A. No.

Q. What was her value? A. The value of the tug?

Q. Yes, what is she worth? A. I think she was offered for $7,500.

Q. Can you tell me what the rate of insurance at Little Bras d'Or would be? A. No, I don't know.

By Mr. Lake:

Q. How much was she getting working for the *Canada* at the time you hired her to send her to Little Bras d'Or? A. $30 per day.

By the Chairman:

Q. And the $10 more was really going to cover insurance? A. Yes, and the exchange of the two boats. You see when she went he would have to engage another boat.

Q. Well, but you were paying for the other boat? A. Yes, but the understanding was: he said that if he let the *Mersey* go it would cost him so much more to hire the tug *George L.* that he would lose money.

Q. How much did you pay to Hatt for the *George L.*? A. From memory I think it was $30 per day.

Q. She was a smaller boat than the *Mersey*? A. Slightly smaller.

Q. Do you know how much Hatt paid for the *George L.*? A. I only know from the statement he handed Mr. Dufresne.

Q. How much did he say there? A. I don't know from memory. I saw the statement in Mr. Dufresne's office.

Q. Well, how much did he pay? A. I don't remember now, Mr. Chairman.

Q. In his statement he doesn't say. You don't know what he paid for the hire of the *George L.*? A. No, sir, I do not know.

Q. He may have been making not only his $40 per day on the *Mersey*, but also a rake-off on the *George L.*? A. He may have, I don't know.

Q. That was not inquired into when the account was paid in October? A. The *George L.*?

Q. Yes. A. I think Mr. Dufresne made inquiries in connection with the *George L.*

Q. But Mr. Dufresne here couldn't make inquiries into what Hatt had paid for the *George L.*? A. No, sir, there was no inquiry into that so far as I was concerned

Q. There was no inquiry into that so far as you were concerned? A. No, sir.

Q. So he might have been making a profit on both? A. Yes, sir.

By Mr. Lake:

Q. How many tugs were employed in connection with the *Canada*? A. One.

Q. The price paid to the tugs you hire is entirely in your discretion? A. Not always, for instance, well, in fact it is in my discretion; we sometimes have boats at $35 a day and they ask for an increase; but if I have an arrangement at $35 I refer to the department to make any new arrangements, I leave it to the department to say whether the boat should get any increase or not.

Q. Have you any instructions from the department as to the limit you are allowed to pay for tugs? A. Well, no definite instructions.

By the Chairman:

Q. Have you any written instructions of a general nature as to your powers in making contracts and so forth? A. No, sir.

Q. All the instructions you get from time to time are the letters you receive from time to time? A. Yes.

Q. On different matters? A. Yes.

Q. But from the day you went in down to the present day you have no general definition of what your authority is, or anything if that sort? A. I think perhaps when I was appointed I had a general definition of my authority.

Q. Can't you recollect?

By Mr. Lake:

Q. Was it in writing, or not? A. Yes, it was.

By the Chairman:

Q. You had some general instructions? A. My general instructions were when I was appointed, I was sent to the St. John office to stay there a month or so in the office work and gather up the information that I have.

Q. But acting on your instructions, practically what it amounts to is this, you get everything that is required for the dredges in Nova Scotia? A. Yes, sir.

Q. And you make bargains for them yourself? A. Yes, sir.

Q. And certify the bills? A. Yes, sir.

Q. And practically then you have undisputed and uncontrolled authority so far as Nova Scotia is concerned? A. Unless any specific cases I am instructed about certain points.

Q. Sometimes you get specific instructions with regard to certain cases? A. Yes.

Q. But generally speaking you do as you like with regard to the operation of tugs down there? A. Yes.

By Mr. Lake:

Q. Now, what is the range of prices you were paying for tugs in Nova Scotia this last season? A. Well, for tugs on towing work as high as $100 a day for outside sea towing.

Q. For tenders on dredges? A. Oh, for tenders on dredges from $30 to $40 per day.

Q. There is nothing higher than $40 a day? A.No, not for a tender on dredges.

Q. Is it part of your duty to send returns to the office of the work done in Nova Scotia? A. Yes.

Q. Did you send returns of the different dredges for the work done there in 1910 and 1911? A. Yes, sir.

Q. You did send returns of the dredges employed there during that year? A. Yes, sir, the returns come here every week.

Q. As to the place where the dredges are at work and the class of material they are working on? A. Yes, sir.

Q. And you did not send a general summary at the end of the season of the work which had been done by those dredges? A. Yes, we make up a general summary.

Q. Did you send that general summary in the year 1910 and 1911? A. Yes, sir.

Q. I ask this question because I notice in the report of the department for that year no returns are given whatever for the *Canada*, the *Cape Breton* and the *Northumberland*?

By the Chairman:

Q. How many dredges have you under your jurisdiction? A. Four.

Q. What is the other one? A. Those three and the *George Mackenzie*.

Q. You do not understand why the returns for those dredges are not published? A. No, I do not.

Q. With regard to the *Northumberland*, she wintered at Pictou a year or two ago, didn't she? A. Yes.

Q. I find a charge by J. J. Yorston as follows: 'Winter berth on slip as per agreement, $2,600'? A. Yes.

Q. Who made that agreement? A. I did and Mr. Howden.

Q. You and Mr. Howden made the agreement with Yorston? A. Yes.

Q. Well it strikes me as a very large one: on what basis was it agreed upon? A. On the basis of her tonnage.

Q. On the basis of her tonnage? A. Yes.

Q. When would she go on the slip? A. About the middle of November.

Q. Remaining till when? A. Till about the first of May.

Q. What was being done on her at that time? A. Having general repairs on her bottom, scraped and painted and general repairs to hull and machinery. She was resheeted also that year.

Q. Was the winter berth arrangement by the sum—how is the rate arranged? A. It is arranged by so much per ton per dead weight ton.

Q. For how long a time? A. For whatever time you agree to have her on, from the close of navigation.

Q. Is there a regular schedule for putting the boats on a slip? A. Yes.

Q. Is there a regular schedule at so much a ton which allows a vessel to remain on so many days, and if she stops there longer it is so much per day longer? A. Yes, that schedule is only for a short time.

Q. It is only for a short time? A. Yes.

Q. Then this would be a matter of special agreement you say? A. Yes, we got frozen in. We had to stay until the beginning of navigation.

Q. Had you got frozen in? A. Yes, we are always frozen in at Pictou.

Q. You lay the vessel up and you have to leave her until the ice goes out in the spring? A. Yes.

Q. This slip would not be in use unless for that purpose? A. Unless it was for other vessels.

Q. Do you know that they had other vessels this year? A. No, we were too anxious to get the dredge on to care about anything else. She was in very bad condition.

Q. Did you try anywhere else to see what charges might be made? A. No, sir.

Q. Did you compare the prices with any other place? A. No, sir, except Halifax, and they refused to quote.

Q. Couldn't you have tried North Sydney? A. Yes, but she is too large a boat to take down there. Pictou and Halifax are the only two places in the province that could take her.

Q. It strikes me as an extraordinary price to pay. Those same people were doing the repairs? A. They did some woodwork repairs.

Q. For instance, I find they charged another $2,600 for repairs? A. Yes.

Q. Which were chiefly on woodwork you say? A. Yes, sir.

Q. A great portion of that other $2,600 for repairs, in fact $2,156 were for work? A. Yes.

Q. At 25 cents an hour? A. Yes.

Q. Who checks the time? A. The captain of the dredge checks the time.

Q. The captain of the dredge? A. Yes.

Q. That would be so many at work for so many days and so many hours each day at 25 cents per hour? A. Yes.

Q. Is Hugh Lyons the captain of the dredge? A. Yes, sir.

Q. Where is Captain Lyons? A. Do you mean at present?

Q. Yes? A. He is at Pictou.

Q. Then there are charges for so many feet of birch plank and so many feet of pine and so many feet of different kinds of things? A. Yes.

Q. Who would measure these and take account of them? A. The captain.

Q. Do you think the captain did keep account of them? A. I think so; we were very, very careful that year because we had a great deal of work to do and kept an extra crowd of men there doing it.

Q. Well then I find a lot of accounts for the *Northumberland* from other sources, for instance, Pictou Foundry & Machine Company? A. Yes.

Q. They put in a bill of $1,644? A. Yes, sir.

Q. Certified by Hugh H. Lyons and G. M. Graham? A. Yes, sir.

Q. So far as your certificates were concerned you did not know how many hours were worked by boilermakers, &c.? A. No, sir, the chief engineer would be the man for that.

Q. Well why didn't the chief engineer certify to it? A. We have the captain's certificate to all bills.

Q. But the captain wouldn't know? A. Yes, I think so.

Q. How would he know the time of the boiler makers and helpers, &c.? A. Oh, this is shop work.

Q. In the Pictou Foundry & Machine Company? A. Yes.

Q. Well how would the captain know? A. Only by being around the shop, or the chief engineer would know by being there supervising the work.

Q. Do you think either one of these men could tell whether that bill was an accurate bill or not? A. Yes, I am quite sure the chief engineer could.

Q. How could he tell? A. His knowledge of machinery and knowledge of machine work that would be required for doing it.

Q. Do you mean to say that the knowledge of machinery and machine work being done which kept men 979 machinists work and 995 boilermakers work, that you could tell from any such general knowledge? A. Well from the boilermakers work, because that was nearly all right under our noses.

Q. It was going on from day to day? A. Yes.

Q. A considerable number of men would be there? A. Yes.

Q. And it would be necessary to get the names of the men? A. Yes.

Q. To keep the time of their arrival and departure and the hours they were there? A. Yes.

Q. Would that be done by the captain? A. Yes, I don't say in connection with the machine work.

Q. I am talking about the machine work and the boilermakers? A. I say that with regard to the boilermakers work he could.

Q. Do you say that he did? A. I cannot say he did, he says he did, and he is supposed to have done it.

Q. Do you mean to say the machinists, that he would keep this for instance? A. No, the chief engineer.

Q. Do you think the chief engineer kept the time account? A. No, sir, I don't think he did.

Q. How could the captain certify to it? A. He would only certify as accepting from the chief engineer.

Q. And the chief engineer would have to accept that statement from some one else? A. He would instruct the captain it was a fair bill to send.

Q. How would he know whether it was a fair bill or not? A. Well I suppose he would know.

Q. I am asking you on your oath, and as a sensible man in business, whether you think a bill such as that is adequately checked by any one on the dredge? A. Yes, sir—well adequately is perhaps a little more than I want to say—perhaps it is not adequately checked.

Q. What you mean to say is that it is checked as well as could be under the circumstances? A. Yes.

Q. After the thing is done? A. Yes, sir.

Q. But there is really no adequate checking? If a few hours were added or taken off or anything of that sort at Pictou by the Pictou Foundry & Machine Company for instance, neither you nor Captain Lyons would be any the wiser, would you? A. No, sir.

By Mr. Ducharme:

Q. You make that approximate valuation? A. Yes, sir.

By the Chairman:

Q. That only simply amounts to this that if they present a bill you sign it? A. I have certified it.

Q. If the Pictou Foundry & Machine Company send you in a bill you certify it as a matter of course? A. If it is certified by the captain.

Q. Your name goes down as a matter of course if the captain's name is there? A. Yes.

Q. So really you do not exercise any supervision over the hours? A. Unless it is a particular job.

Q. Unless it is a particular job? A. No, sir.

Q. You sign because the captain does? A. Yes.

Q. Now take that Pictou Foundry & Machine Company bill, wasn't that signed just as it came in? I mean to say no alterations were made in it? A. As it came to me.

Q. I don't care who it came from, but as it was rendered by the Pictou Foundry & Machine Company. Was it signed in just the same condition as it came from them? A. No, it comes to my office and it is checked by a clerk and if it is found to be correct it is signed.

Q. Did the checking up result in taking anything off? A. No, sir.

Q. The bill was signed as rendered in the first place? A. Unless we found some errors in the addition.

Q. Well did you find any errors? A. Well I can't remember.

Q. Now I find that Matheson & Company on May 31, 1911, were paid for several services there to pontoons, &c., as per agreement? A. Yes.

Q. Who made that agreement with Matheson & Company? A. Mr. Howden and myself.

Q. How did you arrive at the figure of $1,760? A. We asked them to quote a price for doing the work.

Q. And you took the price they quoted? A. Yes, it is the only place on the river that they can be hauled out.

Q. Yorkton is the only place to take the tug and they had the only place for the pontoons? A. Yes, we tried to get other places and failed.

Q. And the result was in both cases that these men were paid what they asked? A. Yes, sir.

By Mr. Lake:

Q. What other places did you try? A. We tried a few other places on the river, Fraser's Point and the shipyard.

Q. Why couldn't you get them? A. We discovered the people who owned the shipyard, owned the other properties as well.

Q. And they had a cinch on the business? A. Yes, there was no other place.

Q. Where was the *Cape Breton* employed in 1910 and 1911? A. I think on Cape Breton island all that time.

Q. That is in the summer of 1910? A. That year she would be in North Sydney, Sydney, Little Bras d'Or, and I think St. Ann's and Ingonish.

Q. The departmental report speaks of her during 1910 and 1911 as cutting a channel 40 feet wide and 2,400 feet in length to a depth of 20 feet at low water, but owing to stormy weather in the fall she was unable to finish the cut? A. Yes.

Q. Has she finished that cut? A. No, sir.

Q. Has she been employed again at Little Bras d'Or since then? A. No, sir.

Q. What is her capacity? A. Her capacity working in good material is about 3,000 to 4,000 yards, but unfortunately we very seldom get good material for her to work in.

Q. Do you remember how many yards she dredged at Little Bras d'Or? A. No, sir.

Q. Nor how many yards she dredged during the season of 1910 and 1911? A. No, sir, not without seeing the report.

Q. Have you any idea of about the average of working days she has during the year? A. Her average would be I suppose about three this year.

Q. How many do you say? A. About three per week, scarcely that.

By the Chairman:

Q. Why so little? A. Because she is unfortunately working in exposed places where we are not able to work her all the time.

By Mr. Lake:

Q. Do you mean three days for the whole year? A. About three days per week for the dredging season.

Q. And how long does the dredging season last? A. In Cape Breton usually from about the 15th of May until the 1st of December.

By the Chairman:

Q. Has she been chiefly used in Cape Breton? A. Yes, for the last number of years.

Q. There was one year I noticed some time ago that she did not work almost all the summer? A. She was working at Antigonish and we had to wait to get a fine day, and sometimes we couldn't get one for a week or ten days.

Q. How long ago was that? A. I think that was in 1910.

By Mr. Lake:

Q. How many tugs are in attendance on the *Cape Breton?* A. Latterly three, there used to be two.

Q. How many were there in 1910? A. Two, I think.

Q. I notice in the departmental report for 1910 and 1911 that the charge for towage was $20,169? A. Yes.

Q. How many tugs was that? A. Was that in 1910?

Q. Yes, in 1910 and 1911.

By the Chairman:

Q. I have the particulars here; how many boats did you say were in attendance? A. Two all the time and three sometimes.

Q. In 1910 you had the *Fairy,* the *Nelson* and the *Merrimac*? A. Yes, sir.

Q. For a portion of the season you had all three? A. Yes, sir.

Q. Are these boats about the same size? A. The *Merrimac* and the *Nelson* are about the same size, only the *Merrimac* has greater power.

By Mr. Lake:

Q. Are those tugs employed at the full daily rate during the whole season even when they are only actually working three days a week? A. Yes, sir, if they are standing by the dredge.

By the Chairman:

Q. Then there is no arrangement with them for a cut down for the days they are not taking the scows out or anything of that sort? A. No, sir.

Q. Wouldn't it be fair that there should be? A. They have to stand by the dredge all the time during the season, all the time ready to proceed at a minute's notice. They are always liable to have a dredge laid up at any place, and we might have to get it out at any moment. At Ingonish you can't leave at all and Little Bras d'Or the same way, you must be ready to pull up at any moment and get away.

Q. You mean for the safety of the dredge? A. Yes.

Q. How many scows were there on attendance with the *Cape Breton*? A. In 1910 there were three.

Q. Three scows in 1910? A. Yes, three.

Q. Some of those tugs I suppose, in case of stormy weather, would have to look after the scows? A. Yes.

Q. And some of them have to look after the dredge herself? A. Yes.

Q. Has the *Cape Breton* any means of propelling herself? A. No, sir.

By Mr. Lake:

Q. Do you know her original cost? A. No.

Q. I notice that in 1910 and 1911, $15,313 were paid for repairs? A. Yes.

Q. Were those repairs ordered by yourself? A. The repairs were all ordered by myself or Mr. Howden, or the mechanical superintendent, they always are.

Q. Is that a rather unusual amount for repairs on a dredge in one year? A. It was rather unusual for her.

Q. What did it include? A. She was in very bad condition; one thing it included was a new boom, she was in very bad condition generally and we had to take the house off her, it was completely rotting away and it was dangerous for the men on board outside so we had to take it off.

Q. Where was the work done? A. In 1910 do you mean?

Q. Yes. A. It was at North Sydney and Point Tupper—Point Tupper I think it was on the slip there.

Q. No tenders were called for those repairs? A. It is very difficult to call for tenders for work, because we don't know ourselves what is required until she is opened up and her machinery is all opened up, and we start repair work, we don't know ourselves till then what may be required.

By the Chairman:

Q. There are certain repairs that require to be made every year I suppose? A. Yes, certain general machinery repairs.

Q. Yes, and certain general things such as painting the hull? A. Yes.

Q. That has to be done every year? A. Yes.

Q. There are certain repairs that would develop from examination, that they would have to be made, so at the end of the season you can look at a boat and say that certain things are needed? A. Yes.

Q. Is it not possible to obtain prices for those things that are apparent? A. Yes.

Q. And leave uncertain those things not apparent? A. We always do that, for instance, if we have a broken bucket or boom or something of that sort.

By Mr. Lake:

Q. Well you say in this case you had to replace her boom? A. Yes.

Q. Well you didn't call for tenders? A. No, because we had to go to the only person who had a shop, to get it made, that is the only person near us at the time who had a shop.

By the Chairman:

Q. In the things you need for her, whether repairs, provisions or anything else, has there been competition between every one or is there a patronage list? A. I

never had a patronage list, but always followed the patronage system, that is to say I was advised either by a member for a county or some one else representing him.

Q. That is you had to get from some one the persons names? A. Yes, they would recommend some one.

Q. In other words you were expected to give employment, or buy things, or hire things from friends of the government? A. Yes, sir.

Q. And the person from whom you were to buy would be named by the member for the district? A. Yes, or some one representing him.

Q. If there was no member on the government side? A. Yes.

Q. If you were in Pictou you would consult Mr. Macdonald I suppose? A. Yes, sir.

Q. Or his agent? A. Yes.

Q. And if you were in another county, if there was a government member, you would consult him? A. Yes.

Q. And if there was no government member, but if the member of parliament there was in opposition you would consult the defeated candidate I suppose? A. Yes, sir, the same system as we are working on to-day.

Q. You are continuing the same system? A. Yes, only it is *vice versa*.

Q. You are not responsible for it, it is general; instead of buying in the cheapest market you have to buy from friends of the government for the time being? A. Yes.

Q. That is the rule isn't it? A. That has always been the rule.

By Mr. Lake:

Q. Is that the case with respect to repairs?

By the Chairman:

Q. In respect to anything, isn't it? A. Yes, with respect to repairs it is a little different because sometimes you have to go to some place. Down in our part of the country we are not favoured with so many large repair shops as you are here.

Q. In other words you would qualify it in this way, if there is no one else except an opponent of the government you go to him? A. Yes.

Q. And if you can get it from no one else, you do? A. Yes.

Q. But if you can get it from any one else than an opponent of the government you get it from such person? A. Yes.

By Mr. Lake:

Q. Supposing there are two repair shops where you get a dredge repaired, one belonging to the other party, do you get competitive tenders? A. Yes, we have had to do it—no I misunderstood your question, we do not ask for competitive tenders.

By the Chairman:

Q. You simply go and make a bargain with the friend of the government? A. Yes, but we get the best terms we can.

Q. The best terms under the circumstances? A. Yes, under the circumstances.

Q. But you readily admit I suppose, that the system of political patronage restricts you very much in making your arrangements? A. Yes.

Q. Upon the question of towage, I find about December of 1910, you had the *Canada* working on the southern coast? A. Yes.

Q. I see that her towage that year was less than one-third of the amount for the *Cape Breton*? A. Yes.

Q. What explanation is there of that? A. She had only one tug, and the *Cape Breton* had three.

Q. Is the *Cape Breton* capable of dredging very much more? A. Yes, and the *Canada* is self-propelling.

Q. And consequently does not have to be looked after? A. No, sir.

Q. Now with reference to that, having regard to the exposed coast and the need of all the dredges being frequently moved, would it not be better to have a self-propelling dredge down there? A. None of the dredges used down in that part of the country are self-propelling.

Q. What is the *Canada?*. A. A ladder dredge.

Q. Why not? A. We have hard, heavy bottoms, and the *Canada* is a ladder instead of having one like the *Cape Breton?*. A. In the first place she could not work in the exposed places as well as the *Cape Breton.*

Q. Why not? A. We have hard, heavy bottoms, and the *Canada* is a ladder dredge and cannot work except in soft material, and further than that the *Canada* is the only ladder dredge we have, she is the most suitable dredge we have, in fact the only one on the south shore of Nova Scotia.

Q. Why is it that she is most suitable there? A. Because they have more soft material there.

Q. How do you describe the *Cape Breton?*. A. She is a dipper dredge.

Q. Why do you call the *Canada* a ladder dredge? A. It is a continuous chain of buckets that go down through a hole to the bottom discharging themselves into a chute into the scow. A dipper dredge is a long boom and a bucket working at the bottom.

Q. In the case of a dipper dredge is it possible for her to be self-propelling? A. I never heard of one.

Q. Do they have to have a square bow? A. Yes.

Q. Scow shaped? A. Yes, they have to be in front.

Q. Like scows? A. Yes, they carry their own spud anchors.

Q. Have you any other dipper dredge except the *Cape Breton?*. A. The *George Mackenzie.*

Q. She was on the northern coast? A. Yes.

Q. What did her towage cost lately? A. She is a very small dredge and does very little work.

Q. Doesn't she have a departmental tug with her? A. Yes, she did have the *Rona.*

Q. Well, then, besides that you hired some towage for her? A. Yes, for outside towing.

Q. What do you mean by outside towing? A. Sea-going. For instance, we are moving from Quebec to Halifax, and we have to get heavy tugs to escort them down.

Q. You say the *George Mackenzie* is a small dredge? A. Yes.

Q. Any year during your memory was she altogether laid up? A. The *George Mackenzie?*

Q. Yes? A. No, sir, excepting in the winter.

Q. Where do you chiefly use her? A. She has been used this past season at Arisaig and Ballantyne's Cove.

Q. Where do you use the *Northumberland?*. A. On the Pictou channel the last three or four years.

Q. Is that a continuous work? A. It is unfinished.

Q. How long has it been going on? A. I think we started it the fall of 1908.

Q. Well, it is still unfinished? A. Yes, sir.

Q. And what is the nature of the work? A. It is a new channel from the town of Pictou to the town of New Glasgow.

Q. Up the river? A. Yes, it is a very crooked river and a very bad channel, and we are deepening the channel there.

Q. And the material is what? A. It is nearly all mud and oyster shells.

Q. Is that soft or hard? A. Very soft.

Q. And what kind of a dredge is the *Northumberland?* A. A suction dredge.

Q. What depth of water is she working in there? A. She is making it 22 feet.

Q. And she discharges the material into scows, I suppose? A. No, sir, into pontoons.

Q. Where are they carried? A. We have 3,000 feet of pontoons running over from her and they carry it to the shore.

Q. And the shore is low? A. Most of the places it is low, we choose low place for making the deposit.

Q. She began down river and is working up, I suppose? A. Yes, the engineer placed us at a certain place last year and we completed that dredging to our next point, and this year they placed us at the Pictou end to meet the other channel.

Q. The upper part was done first? A. The centre part.

Q. Has the New Glasgow end been done? A. No, that will be the last to be done.

Q. You have a couple of year's work before you? A. I don't know what the programme is, but I think it will take next season to complete the deepening to Trenton.

Q. Is there much traffic up and down? A. I should think there would be with the river deepened, to the steel company.

Q. You mean to say they will go right up to New Glasgow? A. Up to Trenton.

Q. What depth of water will they get? A. 22 feet.

Q. Have you any knowledge of the comparative cost of operating government tugs and the cost of towing by contract? A. No, sir, of tugs you mean?

Q. Yes? A. No, sir.

Q. Are these tugs that wait on dredges, the *Merrimac* and the *Nelson*, pretty steadily employed for that purpose year after year? A. Yes, they were until recently.

Q. You mean since the change of government? A. Yes.

Q. I suppose no tugs are employed yet this season? A. Other tugs were employed until we finished the season, but none are employed now.

Q. But take these tugs I speak of, the *Merrimac* and the *Nelson*, how many years have they been employed by the *Cape Breton*? A. I think the *Nelson* has been employed ever since I have been in the department, and the *Merrimac* I think perhaps since 1908.

Q. I notice that the *Merrimac*, for instance, was about 227 days out of the year employed? A. Yes.

Q. Then of course there would be the winter season when she would be doing nothing? A. Yes.

Q. So in such a case as that she was practically employed every day during the open season? A. Yes, practically every working day.

Q. And the *Merrimac* would get little or nothing from any other source except being employed by the government dredges? A. Yes.

Q. And that would be true of the *Nelson* also? A. Yes.

Q. Well the *Fairy* was employed 107 days I see? A. Yes.

Q. She would have a portion of her time when she was not working? A. The early part of the season maybe. She is the boat we took instead of the *Mersey*.

Q. In 1911 and 1912, last year, the towage of the *Cape Breton* was nearly $7,000 less than the previous year. Can you give any explanation of that Mr. Graham? A. I do not know, unless it was that she didn't have any outside towing.

Q. Well you are only guessing at that? A. Did you say $7,000 less?

Q. Yes, in the year 1910 and 1911 it was $20,000 and in the year 1911 and 1912 it was only $13,000? A. The only explanation for it was that there was less outside sea-going towing to do.

Q. You would have to have the tug waiting there all the same? A. Yes, we had the same tug.

Q. You had the same tug? A. Yes.

Q. Then if you had the same tugs, how is it that the towage would be so much less one year than the other? A. Because we never allow the dredge to go outside with those boats, we always send a heavy tow boat with them in addition.

Q. To tow them from place to place? A. Yes, for outside work.

Q. You don't know whether she did much outside work the season before last or not? A. I cannot understand the discrepancy of $7,000 between the two seasons.

Q. I find in the season of 1910 the only tow boats you had were the *Merrimac*, the *Nelson* and the *Fairy*? A. Yes.

Q. Those were in constant attendance? A. Yes, sir.

Q. So that would not be outside work? A. No, sir.

Q. That year the only outside work you had was done by the *Iona*? A. Yes, we had the *Iona*.

Q. That was only $500? A. Yes, sir. If you please, Mr. Morine, I would like to know where the difference comes in in those two years in the towing. I cannot understand such a large difference.

Q. All the men on the tugs under your jurisdiction are fed on board with provisions purchased through you? A. Government owned tugs, yes.

Q. Yes, I am speaking of government owned dredges and tugs? A. Yes.

Q. You did not adopt the system down there of farming it out to the cook or captain? A. It never has been done it is going into force the first of next month.

Q. Well have you received word what rates to allow? A. Yes, sir.

Q. Well what rate are you going to allow? A. We are going to allow fifty cents per day per man.

Q. Fifty cents per day per man? A. Yes.

Q. Have you been given any scale of provisions to supply them with? A. No the captain takes charge of the food of the whole crew at that rate.

Q. But suppose he does not feed the crew, and the crew make a noise about it, what are you going to do? A. There is nothing we can do, it is up to the captain.

Q. Have you laid down a schedule, a menu for him to provide? A. No, sir.

Q. You have not? A. No, sir.

Q. You know enough about shipping to be aware that under the Merchants' Shipping Act that has to be done on sea-going vessels? A. I know we have been feeding our men for less than fifty cents per man per day and they have been having good grub.

Q. What is the object of giving them fifty cents per man per day? A. That is the stated rate in other parts of Canada in the government service.

Q. But that will only be putting something in the hands of the captain? A. I don't know whether it will or not. There might be times that a captain might be in some place at short notice where he will be unable to provision a ship, and it will cost more.

Q. Well it follows as night follows day, that if you have been feeding them at fifty cents the captain won't feed them any better? A. No, I don't think so.

By Mr. Lake:

Q. Have you compiled a statement and gone into extensive calculations in support of that statement of yours that the government can feed the men for fifty cents per man per day? A. Yes.

Q. You have gone into close calculations? A. Yes, we have one dredge—taking that the whole season through they average less than fifty cents per man per day.

Q. Have you forwarded this statement to the department? A. No, I didn't have the demand for that for my dredges.

By the Chairman:

Q. I could quite undestand if it were costing more than fifty cents per man per day and the department thought it was extravagant, it might put in the system you

speak of, namely, farming it out to the captain or the cook, in order to cut down the expenses, but I cannot see the reason for putting in that system when the results may be simply to give the captain a rake-off? A. I don't think that is the idea.

Q. I know it is not the idea. A. I have simply received instructions from Mr. Dufresne.

Q. The idea must be because they have done it up here and therefore they should do it down below. I think you are right with reference to your statement as to the expense, I have had some figures made up and you are right with regard to your statement about the cost of feeding, except in the case of one dredge? A. Yes, the *Northumberland.*

Q. In 1911, according to the figures I have had made up from returns, the *Cape Breton* cost $54.85? A. Yes, that is for the whole year.

Q. It would be for the season from April until October? A. Yes, sir.

Q. The *Northumberland* averaged $59.18? A. Yes, I know she was high.

Q. What made her so high? A. An extravagant cook I think; she should have been the lowest, because she had the largest crew to feed, and should have made a better showing than the others.

Q. She had on her average 28 men on board? A. Yes.

Q. And sometimes she had 31? A. Yes.

Q. And that gives her a larger number of days? A. Yes.

Q. And further than that she was dredging in a section which was reasonably cheaper? A. Reasonably cheaper, yes, in Pictou county.

Q. For instance, such things as butter and eggs and beef, they ought to be got fairly cheap there? A. No, sir, they are not, I am sorry to say. Butter and eggs are two things we have to pay very high for.

Q. Don't you get them locally? A. Yes, some of them.

Q. Of course every one must pay high for those things, but I meant comparatively cheap there? A. Oh comparatively.

Q. I think Pictou county is at least as moderate as any other county in Nova Scotia? A. Yes, it is a fair average county.

Q. Is the same cook on board her yet? A. He is not on her now, he has been until lately.

Q. When was it first brought to your attention that she was expensive? A. I keep a record of it each month myself.

Q. I find there were two months, the month of June and the month of August, 1911, when the bills were high? A. That might happen by provisioning up particularly in one month or perhaps not giving bills in before.

Q. Now speaking of that towage again, I notice that in the season of 1911, the tugs in attendance on the *Cape Breton* were the *Merrimac,* the *Fairy* and the *Maggie F.*? *A.* Yes.

Q. Was there any other last year? A. No, I think not.

Q. Just those three? A. Yes.

Q. The *Merrimac* and the *Maggie F.* were paid $40 per day, I understand? A. Yes.

Q. And the *Fairy* was paid $30 per day? A. Yes.

Q. These were the three? A. Yes.

Q. Well the *Merrimac,* we will take her—did you have the *Merrimas* in the month of August last year? A. Yes, sir.

Q. She was there in September I know, but did you have her in August? A. Yes, sir.

Q. She was not used much, only $1,166? A. They were put off after the change of government.

Q. And what other steamers went on in their places? A. The *E. F. Cates* and the *Nelson,* and the *Miner* I think were the names.

By Mr. Lake:

Q. Do you find there is much competition to get government work for the tugs? A. No, the difficulty is to get enough tugs generally that are good and serviceable.

Q. Do the owners of the tugs ask higher figures than you will give them? A. Oh no.

By the Chairman:

Q. They have a regular fixed rate, I mean to say where Mr. So and So owns a tug, he knows he will get his tug employed at the regular daily rate, it is a well understood rate, and he puts it on.

By Mr. Lake:

Q. Do you pay only the rates usually paid by private individuals for the use of tugs? A. Yes, excepting private individuals would never have them for the full period like we do for the full season.

By the Chairman:

Q. For instance, we will take a tug for which you are paying $40 per day for the season, if that tug were hired one day or two days or a day a week by ordinary private parties would they get her at that rate? A. I don't think so, unless it was for some special day that a man's tug was not doing much and he knew he would not be doing much.

Q. You think you pay a fair average rate? A. I think so for tug boats.

By Mr. Lake:

Q. Ought it not to be possible to put the matter of towage up to tenders? A. It is very difficult to get a tug boat, the only tug fit to handle a boat near Sydney is a boat owned by the Dominion Coal Company, otherwise we have to go all the way to Halifax.

By the Chairman:

Q. With regard to the tow boats you need permanently to attend during the season on the *Cape Breton,* if they were put up to tender and contract so that opponents as well as friends of the government will come in, would there be a chance of getting a lower price? A. Yes, I think there would.

Q. Now under the present existing conditions with the fellows who are not at the crib much being cut off, if it were thrown open so that they could tender wouldn't it be beneficial? A. I think it would, but the tow boat men are like all other individuals, they would very soon get together I have no doubt.

Q. Then the next thing would be government tugs? A. We have practically arranged for a government tug for the *Cape Breton* to-day.

Q. Where to come from? A. From Pictou.

Q. Is there one there? A. Yes, the *Lisgar.*

Q. What has she been doing? A. Attending on the dredge *George Mackenize.*

Q. What is she to do? A. She has been dredging there.

Q. But in future? A. I don't know her programme.

Q. But what is she to do for a tug? A. The *Canso* is coming from St. John to take her.

Q. You are getting another tug? A. Yes, the *Canso* from St. John.

Q. She has been attending on the *Fielding*? A. Yes.

Q. She is a government owned tug? A. Yes.

By Mr. Lake:

Q. The system of repairs is carried out in this way I understand from the papers: You are informed you are going to have a certain amount of money available for repairs? A. Yes.

Q. And you have authority as long as you keep within that amount to make such repairs as are necessary? A. Yes, we make our estimates and afterwards we are informed what the appropriation is.

Q. There is a case last year in which you had exceeded that appropriation? A. Yes, sir.

Q. How did you do that? A. I might have a ship and I thought she was only going to cost me $5 for general repairs, and if she got on the rocks or anything of that kind, or anything unforseen hapened, it might cost twice that.

Q. Were there cases of that nature? A. Yes, there were, that is on file.

Q. If there were a case of that nature would it not be your duty to report that at once to competent authorities? A. We didn't know at the time we were going to be so much overdrawn until the accounts came in. The accounts should have reached us before March 31; they began flowing in in the early months of the next fiscal year and they were very much more than we had supposed.

Q. You don't know from time to time how much outstanding accounts there are? A. There are often accounts out for three or four months, that we don't know about.

Q. You only keep a general running account in your head? A. We keep a record of the captains reports, and we know from time to time by going around.

Q. You don't know what the bills will amount to? A. No.

Q. Not at all accurately? A. No, not very closely.

Q. It strikes me you should know pretty closely? A. Our records are made up in connection with Mr. Howden and the mechanical superintendent.

Q. I notice in this particular case when asked for explanations you were a very long time in making a reply to the request of the department for an explanation. It seems to be not the only case in which the department has been asking you to reply to their letters which you apparently take a very long time to do. Is it your habit to allow a very long time to elapse before answering your correspondence? A. No, but I am away a great deal, and I do not have a travelling inspector as they do in the other place, and I do a great deal of travelling myself.

By the Chairman:

Q. Is there no travelling inspector in Nova Scotia? A. There is a mechanical inspector, but he is for the maritime provinces and makes his headquarters in St. John.

Q. Doesn't he inspect in Nova Scotia as well? A. Yes.

Q. Doesn't he help you as well as the other man? A. Yes, but he is not with me all the time as in the other office.

Q. You were saying you travelled a great deal because you had no inspector? A. I travel a great deal more because I have no other man in the office with me.

Q. Who does the work in the other office? A. Mr. McMurray does the travelling.

Q. He is the inspector, the mechanical inspector? A. Yes.

Q. Well doesn't he do as much travelling in Nova Scotia as in the other? A. I don't think so.

Q. Well what you mean to say he is that outside of the office in St. John the superintendence in New Brunswick is done by the inspector? A. Yes.

Q. Mr. Scovil does not have to travel? A. Yes, and he has a larger staff to attend to his office work.

Q. Do you travel to Prince Edward Island at all? A. No, that comes under Mr. Scovil.

Q. Isn't it longer to get to Prince Edward Island for Scovil than for you to do it from New Glasgow? A. Just about the same, it would depend upon the boat connection at Pictou. It would be handier for him going from St. John.

Witness retired.

The Commission then adjourned.

OTTAWA, March 28, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A. R. DUFRESNE, assistant chief engineer, (recalled):

Examined by the Chairman:

Q. Mr. Dufresne, the commission have it in mind to recommend to the council that the maritime provinces be put under one superintendent instead of two as it was before the appointment of Mr. Graham; what do you think of that? A. I think that would be an excellent system. I have always thought that one qualified man could handle that maritime province situation all right.

Q. Now with reference to the inspector who has recently been appointed in Prince Edward Island, the commission thought of recommending that in case of a change in the superintendency the inspector should be attached to the St. John office, for service wherever directed? A. Yes, that would be a good idea.

Q. The idea in our minds was that he possibly might not have enough to do to keep him in Prince Edward Island all the time, and he could very easily be used across the straits in Nova Scotia or somewhere else close by the St. John office? A. Yes, that would be a good idea and would familiarize him with other plants besides the plant he is in charge of in Prince Edward Island.

Q. And at the same time would cut down the area which the other inspector might have to travel over away down to the eastern end of Nova Scotia? A. Yes, sir.

Q. We thought it would tend more to centralize control by having two inspectors report direct to the office at St. John and be under orders to go wherever the office might desire to send them? A. Yes, that would be a good idea.

Q. Now, in case of the appointment of one superintendent, do you think that the present incumbent at St. John, Mr. Scovil, is competent for such work? A. The experience that I have gained in the last year since I have been here was that Mr. Scovil is not properly qualified to look after our dredging plant.

Q. Would you say in what particulars he would fall short? A. Well, in the first place I judge that the man absolutely never had any experience of that nature before and has no mechanical experience whatever. He is especially lacking in control. There is a great lack of discipline noticeable in the plant under his jurisdiction, which I attribute entirely to the fact that he has not proper control. He seems to show a lack of decision and a lack of backbone in handling those matters.

Q. Does he show any reforming energy? A. My recollection is that there are hardly any, very, very few reforms that have been suggested by him, and on the contrary such reforms as have been suggested from this end generally seem not to meet with his approval, I should not say exactly not to meet with his approval, but what I mean is that there is great difficulty in establishing reforms from this end. There are always objections made by him and the correspondence appears to show that those objections are made by the wrong people. He is influenced, that is one of his greatest troubles, I find that one of the greatest troubles with Mr. Scovil is that he is easily influenced by people under his charge. Most of these reforms are objected to by men, captains and other officers of the dredges under Mr. Scovil's charges, and he refers generally to having consulted them about these reforms.

Q. During your experience has he kept completely in touch with headquarters here? A. In some things he has, and then again in many questions of importance he apparently has not.

Q. Does he travel away from St. John very much? A. I don't think he goes around very much at all. I have an idea that he is very seldom away from St. John.

Q. Prince Edward Island is under his direct superintendence? A. Yes.

Q. Do you know whether he paid any attention there? A. There have been complaints for the last year or two of the inefficiency of plant in Prince Edward Island: possibly the operation of this plant was looked after less than any other plant under his jurisdiction, and I do not think Mr. Scovil went there much if any.

Q. Is there any case in which Mr. Scovil has failed to report instructions he has received? A. Well, Mr. Scovil has had on various occasions instructions of various kinds, and he has not reported the action that has been taken. Some of those instructions have been with regard to repairs and others with regard to alterations and appropriations, and it was afterwards found out that those instructions were not followed.

Q. Well did he give any reason in any case for that? A. Some reasons have always been given but have not been satisfactory.

Q. There was one case we noticed some correspondence about where there had been great delay in getting signatures to contracts, do you remember that incident? A. In connection with buckets for the dredge *Fielding* do you mean?

Q. Yes, we find for instance on May 23, 1911, the draft contracts and security agreements were sent to Mr. Scovil to obtain signatures and on September 11 Mr. Scovil reported 'We have asked the contractors several times to sign, but have not succeeded in getting their signatures until the 8th inst.' Do you know anything about the incident, the cause of the delay? A. My recollection is not very clear on that particular incident, but there may be more correspondence than you have seen on that matter, but at present I do not recollect why there should have been that delay. It would appear from the letter just quoted there that it was the first time it was brought to our attention.

Q. On September 28 he sent back the signed contract which had been sent to him in May, did he explain the delay in getting back that contract at the time? A. No, but I may say that delay in signing contracts does not necessarily mean delay in prosecution of work.

Q. No, but then there is the danger that if the contract is not eventually signed what will become of the work, what is the use of a contract? A. The deposit is always on hand.

Q. But what is the good of a deposit if there is no contract to show what the deposit is for? A. I don't know what the reason was.

Q. Did you find him exercising economy with regard to the number of employees on the different dredges? A. No, over a year ago it was conjectured or it was found out that the departmental plant was overmanned in the maritime provinces, and attempts were made at the time to cut down those crews, and on the matter being brought up to Mr. Scovil it was found that he was apparently influenced by the captains of the tugs and dredges to take the side that the vessels were not overmanned and he reported accordingly. And then a short time ago a proper strength of working crews was figured out for these dredges and tugs in Ottawa here and sent down to Mr. Scovil. The reduction in some cases amounted to about forty per cent. or almost half the crew was cut down in some cases and from the result it appears that Mr. Scovil is satisfied that with the addition of one or two men more these crews will be at proper working strength, which to my mind shows that he now admits that the vessels were over manned in the first place.

Q. The condition or the management of the maritime province plant, has not in your opinion upon the whole been as satisfactory as the management of the de-

partmental plant in the provinces of Ontario and Quebec? A. No, I may say that in my opinion we have obtained a considerable amount of success in reorganizing the departmental dredging in Ontario and Quebec last season, and in the early spring of last year serious attempts were made to reorganize the maritime dredging plant, but the answer and the way we were met by Mr. Scovil and Mr. Graham was so discouraging that in my opinion very little attempt could be made there until proper superintendents were put in charge.

Q. And you believe in order to introduce a better condition of affairs it is necessary to have a change of superintendents? A. Absolutely.

By Mr. Lake:

Q. Can you tell us something about the loss of the *New Brunswick*? A. Well she was lost last September, at the end of September last year, and although no investigation was made at the time regarding the loss of this vessel, I have been of that opinion that it may have been possible to have saved her if she had been looked after properly. I am inclined to think that if Mr. Scovil had sent over one of our government tugs, the *Helena* or one of the hired tugs at St. John we would have saved the dredge, but this is only an opinion of my own.

Q. You mean to say at the time she was lost she was being brought over from Digby? A. Yes, she was being brought over from Digby to St. John with two or three small tugs.

Q. And you think if the tugs with her had been more powerful she would not have been lost? A. Yes, sir.

Q. The Bay of Fundy is a notoriously stormy and difficult piece of water? A. Yes, of course.

Q. And your idea is that it would be unsafe at any time to trust the dredging plant to weak tugs? A. Yes, and more than that—no investigation was made into this, but I am inclined to think the thing was bungled. They left Digby, possibly it might of been fair weather when they left and they didn't get very far out when the storm overtook them, and they couldn't do anything else under the circumstances of course, but if they had had a stronger tug they could possibly have gone back to Digby or come straight through.

Q. In regard to that the hull was sold for $20, that seems to be a very small valuation, and I believe the machinery was also sold at a very small valuation. Have you any remarks to make upon that? A. Well, I am not familiar with the circumstances of the case, because I have never been down there, but it might quite well happen to my mind that the hull might not be worth any more than the $20. With regard to the machinery, a rather strange circumstance about that was that Mr. Scovil reported that we should retain that machinery for use, that we should build a new dredge, and on his recommendation and report I recommended to the department that this machinery be kept. Shortly after that Mr. Scovil then reported that the machinery would be no use to us, and he would advise its sale. Eventually the machinery was sold at sale by calling for public tenders.

By the Chairman:

Q. And with reference to the sale of the dredge itself, was the department consulted by telegram before that was done? A. I can't remember that Mr. Morine without referring to the file.

By Mr. Lake:

Q. How much did you realize from the sale of the machinery? A. Well, I cannot tell exactly, but it was in the neighbourhood of $1,800. I am not sure of that but the correspondence is on file and will show it of course.

By the Chairman:

Q. Why was no investigation made into the loss of the *New Brunswick*? A. Well an investigation might have been made I presume, but Mr. Scovil made a lengthy

report on the matter in connection with the loss and reported the circumstances in the case. From this correspondence it appears that Mr. Howden was there at the time, and I have no doubt that Mr. Scovil was influenced in his decision by Mr. Howden.

Q. That is concerning the sale of the machinery, you mean that Mr. Scovil was probably influenced by Mr. Howden in regard to changing his opinion with regard to the advisability of keeping the machinery or selling it? A. Yes.

Q. Have you the report of Mr. Scovil regarding the loss of the *New Brunswick*? A. Yes, here it is.

Q. The *New Brunswick* had been working at Digby? A. Yes.

Q. Was the work completed there or did some still remain to be done? A. There was some remaining to be done. It was in the Racquette at Digby.

Q. Do you know why she was taken off there? A. She had to be brought back to St. John, it was rather late in the season and she had to be taken back to St. John.

Q. Was she taken back for use in the St. John river? A. Well, I might say that the *New Brunswick* had been working almost altogether in the St. John river, and she was sent over to Digby—she generally worked in the St. John river, but owing to the latness of the season and the desirability of getting her back to work in the St. John river, instructions were sent to bring her back.

Q. She could have continued to work in Digby and have laid up in the winter there, say in the Annapolis basin or some portion of it? A. Yes, but to my mind it would be much preferable to have her back.

Q. Why? A. That was her headquarters, that is where the work was and she could work later in the fall and commence again earlier in the spring.

Q. Why? A. Owing to climatic conditions.

Q. There wasn't much difference in climatic difference between Digby and St. John? The difference between St. John and Digby is a hop step and a jump, that is all it is? A. Well, all her work was in St. John river prior to going to Digby, she had been working there for some years.

Q. Was she ordered back to the St. John river by you? A. Yes, on directions.

Q. I mean was it a considered and volunteered recommendation by you or was it by the direction of the minister himself? A. I can not remember without referring to the files.

Q. I find a telegram here from Mr. Hunter to Mr. Jamieson, M.P., in Digby, saying: "The dredge *New Brunswick* has left for St. John river at the direction of the minister.? A. That would possibly be it.

Q. Cannot you recall now—there should be no reason in the month of October, so far as the dredging is concerned why the dredge should have to leave Digby which is an in-shore sheltered place? A. My recollection is that on that file there are instructions form the minister to send her back to St. John, and they will be found on that file. If they are not on the file they should be, and I think I can find them.

Q. That is a direction from the minister himself? A. Yes, I think so.

Q. It is not on this file—you see that there are papers off this file between September 18 and October 3? A. Yes, I will try and get them.

Q. I notice in Mr. Jamiesons letter to the deputy minister he cays, "The weather was exceedingly tempestuous when she left Digby, and it seems unfortunate that orders should have been given which compelled her to leave at such a time." Do you know of any orders which compelled her to leave in bad weather? A. I remember clearly that instructions were given to Scovil to have the dredge come back to St. John, but notwithstanding these instructions I certainly think that no man should take a dredge out in a storm. The safety of the plant is the first consideration.

Q. She was a dipper dredge? A. Yes.

Q. And therefore very difficult to navigate? A. Yes.

Q. And in a heavy sea most unmanageable? A. Yes.

Q. I suppose she had a square bow? A. Yes.

Q. And a flat bottom? A. Yes.

By Mr. Lake:

Q. This seems to be a case in which Scovil has not exercised ordinary discretion? A. That is the point; no matter what instructions a man gets he certainly should have used his own judgment so far as the weather was concerned. I presume he merely transmitted those instructions, but never went over there himself.

By the Chairman:

Q. I find then in a letter dated Oct. 4, from Mr. Scovil to you: "They have made several attempts to start from Digby with the tow, but have had to return. On the 29th we sent out tug *Helena* to meet them, but she had to turn back. I had a wire from Digby this morning that the dredge had left at 12 o'clock last night, but had to return again and would leave again at 7 this morning. I sent the *Helena* to meet her and she has returned without seeing the tow. It is blowing a gale here. As soon as it is possible to get her here she will be brought and sent up the St. John river. Messrs. Tapley Bros. are very anxious to have the dredge here as their tug is at Digby at their expense." Now isn't that the great trouble, that the contract had been made with some people to bring her across and they were waiting there for a chance to get across and would, of course, be very anxious to start out. In your opinion, should not an earnest endeavour have been made to find out who really was responsible for allowing that dredge to go out in weather which was very tempestuous? A. I confess that possibly we should have had an investigation into that. I know a short time after the loss of the *New Brunswick*, a very short time indeed, another accident was reported to me about the tug *Canso* having a collision with the lighthouse, and having in mind what had happened on the *New Brunswick* at that time I made arrangements and had an investigation made.

Q. And what was the result of that investigation? A. The result was that the captain was censured very much.

Q. It appears to me there ought to have been a strict investigation into the responsibility for this loss of the *New Brunswick*. It may be that Mr. Scovil is not to blame? A. Possibly.

Q. But orders had been received to get her across and he had made a contract, and the actual leaving of Digby was a matter between the captain of the tug and the captain of the dredge, or the agent of the department, if there was any agent at Digby other than the captain. Again it occurs to me that where weather conditions at St. John and Digby would be so much alike that Mr. Scovil at St. John ought perhaps to have had the last word in saying whether the dredge should leave or not, because he would know at least the weather into which she was coming, if not the weather that she was leaving. The distance between Digby and St. John is so small that she would only take a day to go across? A. It is 60 miles, I think.

Mr. LAKE.—I believe it is exactly 43 miles.

Q. Then she could go across in daylight? A. Yes.

Q. I find on October 2 that Tapley Bros. made an application for $150 beyond the price at which earlier they had contracted to bring her across. Do you know what amount Tapley Bros. were really paid? A. I don't remember. I think so far as I can recollect that a report was obtained from Mr. Scovil on that matter of over charge.

Q. I find on October 9, Mr. Scovil says that he had paid them $225 and he supposed they would be looking for the balance. Do you know whether they were paid the balance? A. I do not recollect.

Q. But would they be entitled to anything at all if they lost the tow on the way? A. I don't blame Tapley Bros. for the loss of the dredge, if we made an error.

Q. But we leave out the question of grace. If they undertook to tow her over for a fixed sum from one place to another and lost her on the way, would they lose the towage? A. Yes, unless there were unusual circumstances that I don't know of just now. As a general principle, yes.

Q. As a matter of law if they did not complete the contract they would get no pay? A. As a matter of law, yes, I suppose so.

Q. If it became a matter of grace, to pay them something that ought to be considered by the department here, should it not? A. Yes.

Q. And you don't know whether it was considered or not? A. I don't know without referring to the file.

Q. Will you kindly make a note and find out what was done with that? A. Yes, it is not on that file is it.

Q. No, it is not. A. That file don't seem to be very complete. I think they were paid, to tell the truth—I think there was a report on that, but I am not certain in my recollection.

Q. I am not inclined to agree with you that if the dredge was lost, Tapley Bros. were not to blame, because I am not so clear that as a matter of maritime law, that the tug was not in charge of the dredge when she attached her halter to her, and the question of whether it was suitable whether to leave or not would be in the discretion of the captain of the tug boat? A. When I made the statement that I did not think Tapley Bros. were responsible for that my interpretation was this, that if the department made an error in judgment in hiring tugs that were not able to do that work, it was the fault of the tug captain.

Q. That is another thing, but if she left in unsuitable weather the question would clearly arise who had the discretion to say whether she would leave or not, and did they exercise a wise discretion? A. I think it was for the department to judge as to when they should leave.

Q. I am not so clear about that, because Mr. Scovil whom you mean by the word department was at St. John, and the dredge was at Digby, and the question whether the tugs could safely bring her out was a question of seamanship and control. They had a contract to bring her across, and they had, it seems to me, the discretion as to whether they should start out then or whether they should wait for suitable weather.

Mr. LAKE.—They had made a contract, I think, for the round trip.

Q. Now the decision as to whether the weather was suitable or not, might have to be made on the spot by the captain of the tug boat. I am only intimating that, it was a question and a serious legal question arises there? A. Yes, I see what you mean, and I presume an arrangement of that kind with Tapley Bros. might prove to be unsatisfactory, inasmuch as they would risk towing that dredge out to get within their plans.

Q. They might, and then the question would arise as to whether, as Mr. Lake suggested a few minutes ago, they were not personally responsible in the nature of an insurance to the government that they would bring her safely over.

Mr. DUCHARME.—When a man undertakes to bring a boat over he undertakes to bring her safely.

Q. And if he loses her on the way he may be responsible for the whole value? A. Personally I am not too clear on that point. If a man is towing a schooner I suppose it is the captain of the schooner who would give orders to the captain when he should leave, and thereby takes the responsibility.

Q. Well as you say, it is not fair to press you in any case on this question, because it is a question of law, but I am suggesting to you as the assistant chief engineer in charge of dredging, that this very question ought to have been one of investigation both as to facts and law? A. I am willing to admit that.

By Mr. Lake:

Q. I understand that Mr. McMurray and Mr. Howden sold practically all the machinery in the *New Brunswick*, everything except the boiler? A. Well Mr. Howden was only there in connection with the sale of the hull.

Q. According to the report the machinery sold was in pretty good condition? A. Yes.

Q. Yet when it was put up for sale we find that the valuation put on it was very small? A. There was an attempt to purchase that machinery you know, without calling for tenders, and it was up here in Ottawa that we decided that if we had to sell the machinery we would call for tenders by public advertisement, and that was absolutely the highest price that was obtainable.

Q. It has been sold and the deal has been closed? A. Yes, sir.

Q. But you do not remember at the present moment what the sale price was? A. The sale price must be on that file, Mr. Morine.

By the Chairman:

Q. Are you referring to the machinery? A. Yes.

Q. No, there is only a valuation here? A. Well, according to my recollection it brought $1,300 and some odd dollars. I make this statement after seeing the valuation shown in the file, because I remember it was very little above the valuation, because our idea in putting a valuation on it was to put an up-set price on it.

By Mr. Lake:

Q. The gist of your evidence is to the effect that you do not consider Mr. Scovil a competent officer to take charge even of the district comprised by New Brunswick and Prince Edward Island? A. Yes, sir.

Q. And if it now proposed to have one superintendent over the whole of the maritime provinces, you certainly think he will not be able to fill that position? A. No, I do not think Mr. Scovil has the requisite capacity or qualifications.

Witness retired.

The Commission then adjourned.

HENRY ARTHUR BAYFIELD, superintendent of dredges for British Columbia Public Works Department of Canada.

Salary, $217 a month.

Examined by Mr. R. S. LAKE, Public Service Commissioner.

VANCOUVER, July 31, 1912.

Q. How many officials have you under you? A. I have no officials under me. Simply a staff.

Q. What are the number and status of the staff? A. One assistant, one inspector, one office man, one stenographer, and then I have 250 men working.

Q. The department own their own dredges? A. Yes.

Q. And there is no contract work? A. None, with one little exception.

Q. Your work is entirely the operation of dredges for the department? A. Yes.

Q. What are the salaries? A. My assistant gets $150 a month, the inspector $150, the office man $100, and the stenographer, a female $55.

Q. Has she been long in your employment? A. Only there a short time, about two months.

Q. Had you a stenographer before? A. My office man used to do it. Up to three years ago I did my own typewriting and everything else.

Q. How many dredges have you operating here? A. Ten dredges and auxiliary plants.

Q. Some of these were acquired recently? A. Yes, the whole thing practically has been built up within the last few years.

Q. Where did you get the dredges from? A. The dredge *Mastodon* was built in Scotland. She arrived here in April last year, was brought round the Horn under her own steam. The dredge *Fruhling* was built in Hamburg, Germany, and arrived here three years ago this spring. Steamed across the Pacific. The dredge *Ajax* was built in Toronto and erected here in 1909. Then the dredge *Mudlark* was built in British Columbia about twenty years ago. The dredge *King Edward* was built in Toronto and erected here. The dredge *Bittern* was built here last year and the *Balkan*, the *Heron*, the *Nakusp* and *Muskrat* were all built in British Columbia. The *Lobnitz* rock breaker No. 1 was built in Scotland and erected here in 1911. The *Lobnitz* rock breaker No. 2 is now on her way out here. Then we have the snagboat *Sampson* built nine years ago—

Q. What is her work for? A. Handling snags in the mouths of rivers. The snagboat *Signet* about four years old was built in British Columbia, and works at the mouth of the Skeena moving snags there. The Naas river snagboat does similar work there.

Q. You might also give us the number of tugs? A. I have a statement showing all that that I could send in.

Q. Yes, I would like to have it. The government owns all the tugs in connection with the service? A. Yes.

Q. You don't have to hire any? A. No, though if a tug breaks down we might employ one.

Q. And you employ the captains and masters of all the different vessels? A. Yes, nominally.

Q. That is to say that commonly names are submitted to you for employment? A. I am supposed to consult with the different executives in different towns and take on a man whether he is incompetent or not.

Q. Do you have to take incompetent men? A. Yes, very often.

Q. The same system has prevailed in the past, has it not? A. Yes.

Q. Do you feel yourself bound to keep a man whether competent or not, or can you give him a trial and dismiss him? A. That is a rather difficult question. It depends on circumstances a great deal.

Q. Then you do keep men feeling that they are not competent, but feeling that political pressure is too great to allow you to dismiss them? A. Yes, but not in many instances.

Q. Then there have been cases where a man has been sent to you by a political side and you have been able to exercise your discretion about keeping him? A. Yes, in the lower grades, but we have certain employees, though not many, who I think would be better out of the service. Our captains as a rule are good men.

Q. Do you arrange for the keep of the men? A. Yes, we board them with the exception of one vessel.

Q. Whom do you purchase provisions from? A. Different merchants.

Q. Is it under a contract made by the department or by yourself? A. It is made by the department once a year. I call for tenders by public advertisement according to the rules of the department.

Q. Who is present when you receive them? A. I am myself, but always in the presence of witnesses.

Q. You never open tenders unless some one is present? A. No, and these different tenderers understand that if they wish they can be there.

Q. Are the tenders awarded by yourself or by the department? A. Up to the present I have awarded them, but now there is a new rule by which I send them to Ottawa with my recommendation.

Q. Then I suppose the tenders are not for single articles, but for a considerable number of articles? A. Yes, for supplies.

Q. And it would take a little discernment to decide which is the best tender? A. No, I have a system of marking which enables me to know. I invariably take the lowest tender provided it is a responsible firm.

Q. Do you carry on dredging operations practically all through the year? A. Yes, all the year except in the interior where it gets too cold. We have no winter here to stop us.

Q. What wages do you give to the masters and other officers? A. The master of a large dredge gets $140 a month for a single shift. The chief engineer gets $125 for a single shift.

Q. What do you mean by single shift? A. A single shift is an ordinary day's work. On double shift they get more because they are on duty night and day.

Q. What do the wages range from? A. Deckhands, $45, cooks $75, mates, $85, firemen, $50 to $60, second engineers, $100, third engineers, $75. Our wages are very low compared to what are given by private firms in Seattle, the nearest point to here. There are no dredging firms in British Columbia, but there are in Seattle.

Q. And the wages given in Seattle range higher? How much? A. At least 10 per cent. and some of their men get considerably more than that.

Q. You can make a comparison between wages given by steamship companies here? A. It is entirely different work.

Q. You would not venture a comparison of prices given to your men and what they could obtain? A. Well, I know what the C. P. R. and all these people pay, and we pay about the same as they do.

Q. You don't find the wages so low that you cannot keep your good men? A. No, we generally manage to keep them.

Q. Can you give me any idea as to the cost of different kinds of dredging? A. Yes. Dredging on the Fraser river with an agitator suction dredge costs about 12·02 cents a yard.

Q. What depth? A. You can dredge 40 feet down altogether.

Q. Does not the depth make a difference? A. Yes, but we have a tide here. The average price of dredging on the Fraser with an agitator suction is a big difference from other suction dredges.

Q. What is the other suction dredge? A. That is the scraper suction. It runs from 5½ to 6 cents a yard.

Q. You say that dredging with an agitator suction costs 12 cents and with a scraper suction from 5½ to 6 cents a yard? A. Yes. That is in mud and clay. The agitator will dredge 40 feet with extensions and the scraper suction will dredge 45 feet.

Q. In making a calculation is it for a yard in situ by suction? A. Yes, for the agitator it is in situ, and for the scraper dredge it is hopper measure.

Q. Now in regard to elevators? A. Well, we take it an elevator dredge will run about 16 cents in hard stuff.

Q. In hard clay bottom you mean? A. In hard gravel, boulders, rock and everything.

Q. That is in mixed material? A. Yes. The dipper dredges are our biggest. The cost of dredging with a six yard bucket is I think about 23 cents, dealing with very bad stuff.

Q. It is in mixed material you use that? A. Yes. It ranges from mud to hard pan taken as it comes.

Q. That is dredging to any depth? A. The dipper dredge will work 20 feet in low water and about 35 feet at high tide.

Q. Has any class of material you have mentioned at present cost you more than 23 cents? A. No. I think that is a very fair average.

Q. Outside of solid rock, can you recall any cases in which it has cost you more than these figures? A. Well, this year the dredge *Mudlark* ran to nearly 40 cents in Victoria on account of heavy repairs, but that was quite exceptional.

Q. How long have you been running dredges, Mr. Bayfield? A. About three years here, and I was for two years and a half mechanical superintendent of Montreal harbour works.

Q. During the three years here this *Mudlark* case has been the worst you have had? A. Yes.

Q. Now in regard to rock? A. We have two plants working, a rock breaker and a single drill. We use dynamite and the cost per yard is about $6. It is very hard rock.

Q. Without the blasting what would the dredging cost? A. About 12 cents a yard. On the *Lobnitz* rock breaker No. 1 the cost per yard is practically unknown on account of the faulty design of the machine.

Q. Could you give me any estimate of the cost of repairs on dredges here? A. Yes. It annually runs about 6.06 per cent. of the total cost, and I am proud of it, considering what we pay for repairs.

Q. What would be a fair figure to reckon as the cost of deterioration? A. That is a question that is hard to answer. We keep our dredges in such good shape that repairs practically cover deterioration. Interest and depreciation I would put down at 12 per cent. on an estimate.

Q. So that 18 per cent in your mind would represent the cost and use of the plant? A. Yes. Our repairs this year ran about $100,000.

Q. Does any accounting pass through your hands? A. All invoices come to me first and are examined and certified that prices are right. If not they are sent back for correction.

Q. No money passes through your hands? A. Not a cent.

Q. Who handles the accounts? A. The accountant in New Westminster.

Q. Have you any general suggestions to make with regard to the improvement of the service? A. I have many, but it is a big matter, and it is all in details.

Q. Those are in regard to dredging, but what would assist you in making your staff more efficient? A. I don't know, I have a good staff.

Q. Do you contribute to the superannuation fund? A. I never heard of it.

Q. Do you give bonds for the performance of your duty? A. No.

Q. Nor any of your staff? A. Not that I know of.

Q. Do you get any vacation? A. I have had none yet, but I am going to ask for two weeks this year.

Q. You don't know whether you are entitled to any? A. No, I have been too busy to think about it.

Q. Have you any suggestion along these lines that will enable you to keep good men? A. There are a whole lot, but the whole thing can be summed up in a few words, "Leave politics out of it."

Q. In your estimate in the cost of dredging per yard you have merely counted the cost of wages, supplies and repairs? A. Yes, wages, supplies and repairs. Interest and depreciation are the only things omitted, but superintendence is taken in.

Q. You have made a careful calculation with regard to this matter? A. Yes.

Q. You are satisfied you can do the work cheaper than by contract? A. I could do it cheaper.

Q. And the reason you cannot is that you do not have a free hand? A. Yes.

Witness retired.

ST. JOHN, MONDAY, August 5, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting in the office of Mr. John K. Scammell, district engineer, this morning.

JOHN K. SCAMMELL, aged 39, sworn and examined,

By Mr. Ducharme:

Q. You are district engineer for the River St. John and tributaries? A. Yes.

Q. Does that include St. John harbour? A. No, the harbour at present is not in my district.

Q. Has it ever been? A. Yes.

Q. When was it taken away from your district? A. A couple of months ago.

Q. Who has that now? A. Mr. Goodspeed has part of it and Mr. Steves the rest.

Q. Could you designate the part that Mr. Steves has? A. He has now the work on the west side of Connolly wharfs and the Courtenay bay work—at least I presume he has.

Q. Courtenay bay is a part of the harbour of St. John? A. Yes.

Q. Has any work been done there? A. They are working there now, they have started on the breakwater.

Q. Has there been any dredging done at Courtenay bay since your period of service there? A. No.

Q. You have been district engineer since when? A. Five or ten years.

Q. Before that you were——A. I was assistant engineer.

Q. In St. John? A. Yes.

Q. Was your district larger then than it is to-day? A. No.

Q. You were assistant to Mr.———? A. Mr. Schewan. When I was first with Mr. Schewan it covered the whole of the province and next time it was divided into the north shore and the eastern and river counties. It was divided eight or nine years ago. Mr. Dey who was the first assistant of Mr. Schewan was on the north shore as district engineer and I remained here as assistant to Mr. Schewan and took Mr. Dey's place.

Q. You know about all the dredging that has been done for the last fifteen years? A. Fourteen years any way, the dredging did not start until after that.

Q. There was no dredging before 1900? A. No.

Q. To whom do you report? A. To the chief engineer, Mr. Lafleur, and the assistant engineer, Mr. Dufresne, the former for work and the latter for dredging. Before Mr. Dufresne's appointment I reported on dredging and works to Mr. Lafleur.

Q. Either contract or government? A. Yes, sir, that was two years ago.

Q. Do you know Mr. Scovil? A. Yes.

Q. What are the relations between him and you? A. I have nothing to do with him.

Q. Mr. Scovil has nothing to do with contract dredging but only government dredging, I presume? A. He has nothing to do with contract dredging.

Q. Only departmental? A. Only departmental, and he has nothing to do with the dredging it is simply with the plant. He is the local superintendent of the plant.

Q. Under whose instructions? A. Mr. Dufresne's. I do not know if there is any one between Mr. Dufresne and Mr. Scovil.

Q. Who would give instructions to Mr. Scovil to do dredging? A. I would, at least I presume I would, we have not had it in for so long, there is no government dredging in this district.

Q. What does Mr. Scovil do? A. His dredging district is entirely different from mine. His dredges cover the dredges for the maritime provinces, that takes in the dredges going to the north shore, Prince Edward Island and Nova Scotia. The only dredge that is in this district at the present time would be the *Fielding* and that is in Mr. Goodspeed's jurisdiction because it comes in the harbour.

Q. But still that is departmental? A. Mr. Scovil has to do with the dredge and not the dredging, he looks after the plant and equipment and the paying of the men.

Q. You receive instructions from the department as to dredging? A. Yes, as to dredging I look after the details of the dredging according to plans which are made in this office. We make the plans.

Q. And they are approved of by the department? A. Not always.

Q. But when they are approved you receive instructions to have them carried out? A. Yes, sir.

Q. And you supervise the work only so far as the location of the work is concerned? A. Yes, sir.

Q. As to the completion of the work you have nothing to do, is that it? A. Yes, sir, we look after the execution, we have to see that it is properly done, down to place and within the time set out, within the area that the work is set out.

Q. Are you called upon to make estimates for the cost of dredging? A. Yes.

Q. Do you make estimates for departmental dredging also? A. Sometimes, yes.

Q. I suppose you also draught the plans for wharfs, and breakwaters, &c.? A. Yes.

Q. That would be only for your own district? A. Yes.

Q. Then there would be other engineers doing the same work for other districts in this province? A. Yes, there is an officer on the north shore, Geoffrey Stae. Mr. Dey on the south side and in St. John they have Mr. Steves, who was my former assistant, and they also have Mr. Goodspeed who succeeded Mr. Schewan when Mr. Schewan resigned.

Q. Do you think it would be better to have but the one office for the province? A. I think that two would be sufficient for the province, one taking the north shore counties down to say the western limits and the other the remainder.

Q. Instead of three as at present? A. We have four at present, four district engineers.

Q. Have the other engineers the same duties as you? A. Yes. My district takes Kings, Sunbury, York, Carleton, Victoria and Madawaska. We usually call it the St. John river and tributaries.

Q. The harbour is under the jurisdiction of Mr. Goodspeed and Mr. Steves? A. Yes.

Q. Had you the supervision of any public works in St. John harbour before? A. Yes, I had entire charge of the contract dredging.

Q. In the year 1905? A. Yes, in 1905.

Q. Up to? A. Up to March of this year.

Q. Do you remember the contract that was given to G. S. Mayes in 1905? A. Yes.

Q. Where was that dredging done? A. On the west side. The first contract was in Rodney slip, St. John west, formerly Carleton.

Q. Did you make an estimate of the cost of that dredging? A. No, when that contract was let it was let with Mr. G. P. T. Schewan in charge. He was engineer in charge at that time.

Q. Under Mr. Hyman? A. Yes.

Q. Have you tables to show the kind of dredging that would be done then and since? A. Yes.

Q. Would it be ordinary or extraordinary dredging? A. I would call a portion of it extraordinary.

Q. That was paid for at 55 cents a yard? A. His first contract was 55 cents.

Q. The first tender was 50 cents, but it was never acted on? A. I think so, I do not recollect about that. 55 cents was the only thing I had anything to do with. I had nothing to do with the 50 cent rate at all.

Q. You never put an estimate on that at all? A. No, that would come under Mr. Schewan's jurisdiction at the time.

Q. From your present knowledge do you think 50 cents too much? A. That is questionable. There is dredging to do in St. John harbour that if I had a plant myself I would not want to put into it under 50 cents if I met with the same conditions as he did over a portion of his work. There are other portions of St. John harbour where 50 cents would be too much, there is no doubt about that, and it would depend of course upon the plant available.

Q. Have you any knowledge of the Gaspereau river dredging? A. Yes.

Q. Would that come under you? A. No, the Gaspereau came under Mr. Stead.

Q. You do not know the kind of work that was done there? A. Yes, I was visiting on the north shore when I was Mr. Schewan's assistant. I remember the character of the dredging, I know it was an exposed place particularly in the fall of the year.

Q. Had you ever occasion to see how the greater quantity of dredging was done? A. On any work?

Q. Yes, on any work? A. Yes, I would like to show you just what we do in that connection.

Mr. Scammell exhibited a plan of a scow and explained the system of measuring and checking the contents. He added: We also visit the dredge frequently and there is an inspector constantly on the work.

Q. How frequently? A. Two or three times a week.

Q. Do you also make estimates whenever new works are needed? A. Yes.

Q. How do you make these estimates? A. Surveys are first made and plans prepared, soundings made and from this an estimate of the quantity to be removed is arrived at.

Q. When the plans are made and the soundings got can you also give the approximate cost of the work? A. Yes.

Q. Is it as a rule done? A. Yes.

Q. When the department estimates the cost of certain works in your district is that estimate based on your own figures? A. I would not like to answer that, I have no way of knowing that.

Q. Are you ever asked to make estimates? A. Yes.

Q. Do you always do that when you prepare a plan? A. Always.

Q. And send that to the department? A. Always.

Q. You are doing some work just now in the St. John river? A. Yes.

Q. Do you know the prices paid for the different works? A. Yes.

Day's Landing, 35 cents, New Brunswick Construction Co.
Mouth of Nashwaak, 40 cents, St. John River Dredging & Construction Co.
Fredericton, 23 cents, New Brunswick Construction Co.
Ox Island, 24½ cents, New Brunswick Construction Co.
Whitehead, 30 cents, New Brunswick Construction Co.
Reed's Point, 30 cents, New Brunswick Construction Co.
Ferry point, 19½ cents and $4.90, New Brunswick Construction Co.

The figure of $4.90 is for the removal of an abutment heavily ballasted, the old Perry Point bridge.

Q. Was any dredging done in St. John river in the last few years? A. Yes, last year there was and I think the year before also.

Q. You were paying the same prices this year? A. No, it was higher before.

Q. Do you remember how much it was? A. Fifty cents per yard scow measurement, that was the first work that was performed on the river.

Q. Who had that contract? A. The Maritime Dredging Co.

Q. You have more work this year than in the year past? A. I think there are more places but not the yardage.

Q. Is there anything you can suggest in the way of improvement besides what we have spoken of? A. In connection with the departmental dredging plant, before a work is properly completed a dredge may be called away to another district or another place in the same district to perform work. That is not right.

Q. Has this been done? A. Yes, it has been done. I think Mr. Dufresne is covering that in such a way that it is gradually ceasing to be done.

Witness retired.

The Commission adjourned.

St. John, N.B., Tuesday, August 6, 1912.

G. N. Ducharme, Esq., commissioner, held a sitting at the office of Mr. Fred. G. Goodspeed, district engineer, this morning.

Fred. G. Goodspeed, aged 31, district engineer of the Public Works Department, District of Southern New Brunswick, sworn and examined:

By Mr. Ducharme:

Q. What counties have you? A. Amherst, St. John and Charlotte. St. John, not including wharf building in St. John harbour.

Q. The Courtenay bay work is under you? A. No, that is wharf building. I do not know how the dredging in Courtenay bay will be done. I at present have charge of all dredging in St. John harbour but none is being done in Courtenay bay.

Q. How long have you been in this position? A. Since June 25, of this year.

Q. Prior to that? A. I was district engineer in Northern Alberta.

Q. How long were you there? A. About 19 months.

Q. And prior to that? A. I was assistant engineer here.

Q. So practically you have been here so many years less one and a half years? A. Yes.

Q. How long have you been here altogether? A. From May, 1907.

Q. You were less than one and a half years in the northwest? A. Yes.

Q. Is there any dredging going on now? A. Yes.

Q. Much? A. There is considerable in my district.

Q. Are the prices lower this year than last year? A. The prices on St. John harbour work I believe are the same. I was not here last year, it is difficult for me to say, but I think it is a continued contract.

Q. How much this year? A. 39½ cents per cubic yard, class B material.

Q. Who is doing the work? A. The Maritime Dredging & Construction Co. We also have one departmental dredge at work here.

Q. You had nothing to do with the giving out of that contract? A. No.

Q. Had you anything to do with the giving out of the Gaspereau contract? A. I had nothing to do with the Gaspereau contract.

Q. Do you know when the contract for St. John was given out to the Maritime Dredging Co.? A. I may have been here, but it was not in the district I was then in.

Q. Is 39½ cents a fair price or is it too large? A. 39½ cents, I believe is a fair price.

Q. Did you not estimate that at 20 cents? A. I cannot tell that, it may have been estimated at 20 cents. Of course the contract has been going on for I think three years previous to my having anything to do with it, and as all the correspondence of the district has been handed to me in the last three weeks I have read it over as much as possible, but I have not had time to go over all of it. There are 39 files of correspondence.

Q. When you took over the office you were given a certain quantity of office papers and these are all in your possession? A. I suppose they are all in my possession, all are in my possession that were handed over to me, and I know of none being withheld.

Witness retired.

CLARENCE McN. STEVES, aged 28, district engineer, St. John harbour construction, sworn and examined:

By Mr. Duchaime:

Q. Have you anything to do with the dredging? A. No, not at present.

Q. How long have you occupied this position? A. I was appointed as resident engineer on the construction of wharfs on the west side on the 23rd of November last year as resident engineer, and on the 1st of April I was appointed as district engineer.

Q. Before that time? A. Before that time I was assistant engineer to Mr. Scammell.

Q. Since when? A. September, 1908.

Q. And prior to that? A. I was outside the government service. St. John harbour includes Courtenay bay.

Q. But you have nothing to do with dredging in either? A. Not at present. I suppose I will have the dredging when it starts in Courtenay bay. So far there has been simply the construction of the breakwater. I will have charge, as far as I know, of the dredging in Courtenay bay when it starts.

Q. In 1908, when acting as assistant to Mr. Scammell, had you anything to do with dredging? A. Merely making wharfs and of the work as it progressed. I had no direct charge of work except under him.

Q. So you do not know much about the former contract in dredging in St. John harbour? A. Nothing at all with reference to contracts. The St. John harbour dredging was turned over to me on the first of April, and I had it until about three weeks ago when it was transferred to Mr. Goodspeed.

Q. Who is doing the work there? A. The Maritime Dredging & Construction Company.

Q. What is the price? A. 39½ cents.

Q. Is that not too much? A. Well, under the conditions they have to contend with here, I do not think so. The strong tides and currents they have here and three or four months of rough weather in winter it cuts down their output considerably. For several hours a day, especially in early spring, they have to stop work.

Q. Do they work in the winter? A. Oh, yes, but the rivers here make the current very strong.

Q. Have you any knowledge of the dredging done in 1908 in St. John harbour? A. No, sir.

Q. Costing 90 cents a yard? A. No, sir.

Q. You have nothing to do with departmental dredging? A. No.

Q. What are the works going on now? A. The construction of deep water wharfs in west St. John.

Q. What is the amount of the contract? A. About $780,000.

Q. How is that work being done, with wooden piles or cement? A. Timber crib work substructure with concrete superstructure.

Q. Do you suffer here from the teredo? A. No, not here.

Q. They would be troubled with that in Nova Scotia? A. I understand yes, although I do not know from personal experience.

Q. What sized wharf are you putting up there? A. About 2,000 lineal feet of key wall to be built under the present contract.

Q. Besides the wharf? A. The concrete work is 48 feet wide on the bottom and tapers up to 8 feet on top of the concrete.

Q. How long is that wharf? A. About 2,000 feet. The length of the berths gave about 800 feet each. The first face is 300 feet along the harbour, parallel with

the harbour. It runs in towards the shore 400 feet, to the bulkhead, and the bulkhead is 300 feet wide and then there is a detached portion preparatory to the construction of a future pier which is 420 feet wide.

Q. Making altogether about? A. The total length of the new work under contract is about 2,000 feet. On the east side there is Courtenay bay.

Q. You have no draughting here? A. Except on progress work in connection with construction.

Q. To see that the plans are carried out? A. And to see that I have the data to work out the progress estimates.

Q. Have you to do also with public buildings? A. No, sir, just the wharfs and breakwaters.

Q. Can you give the price of the Courtenay bay dredging per yard? A. The contract price is $7,500,000. That covers dredging and the construction of three piers and the breakwater.

Witness retired.

The Commission adjourned.

St. John, N.B., Thursday, August 8, 1912.

G. N. Ducharme, Esq.,. Commissioner, held a sitting in the office of Colonel Armstrong this evening.

Colonel Armstrong appeared as counsel to assist the commission.

Gershon S. Mayes, sworn and examined by Colonel Armstrong..

Q. You live in St. John? A. In the suburbs of St. John.

Q. When did you first become interested in dredging? A. In the present St. John dredging about seven years ago, but I was interested in dredging before.

Q. You knew that tenders were asked for for dredging? A. Yes, in the last of June, 1905, about that time.

Q. What did you do in consequence of that? A. I tendered at fifty cents a cubic yard—my tender went in about August some time. I prepared to tender by looking up prices, and my tender was not accepted, my deposit was sent back to me.

Q. It was rejected, was it? A. It would hardly be rejection, because there were no others, but it turned out that they wished to have others to have more competition.

Q. Then they called for other tenders? A. Yes, sir, with the clause that American dredges could be brought in for the sake of getting more tenders.

Q. Did you put in a tender a second time? A. Yes.

Q. What figure? A. Fifty-five cents a yard.

By Mr. Ducharme:

Q. New tenders were called? A. Yes.

By Col. Armstrong:

Q. What was the first tender? A. Fifty cents. The tender I made out was made out for fifty-five cents. I only tendered twice.

Q. Why did you increase the price to fifty-five cents? A. Mr. McAvity insisted on fifty-five.

Q. Your first tender was when? A. I see in the newspapers here that it is stated as June. I think that is an error, I think it came out afterwards. It was later than June, but that can easily be got precisely. I am not prepared to say that absolutely. When I say the tenders I mean that I filled out a printed form and put it in and

put my name to it and sent a cheque with it. The second tender I did that it was 55 cents.

Q. You put in a second tender and withdrew the first? A. No, I did not withdraw anything.

Q. Then were you willing to go on and do the work at fifty cents? A. Oh, yes.

Q. Did you put in the tender the second time at fifty-five cents? A. I went to Ottawa to meet Mr. McAvity.

Q. Why did you go to meet Mr. McAvity? A. Because he wished me. I asked him first to introduce me by letter to Mr. Hyman.

Q. You might start from the beginning. Why did you go to Mr. McAvity? A. Because I wanted some one who knew Mr. Hyman.

Q. Who recommended you to go to Mr. McAvity? A. Dr. Pugsley.

Q. When was it that Dr. Pugsley recommended you to go to Mr. McAvity? Before you had the conversation with Mr. McAvity? A. Yes.

Q. Before you had any idea of seeing him? A. Before I had the slighest idea. It was brought about by the idea of my asking Dr. Pugsley for a letter to Mr. Hyman and he said he did not know Mr. Hyman very well but that Mr. McAvity did.

Q. Who was Mr. Hyman? A. He was Minister of Public Works at that time.

Q. With relation to the conversation you had with Dr. Pugsley more particularly. That is William Pugsley, afterwards Minister of Public Works? A. He was then the Attorney General of this province.

Q. He was then in the provincial government? A. Yes, I met him coming out of the post office as I had just received the letter from the department returning my cheque, just a regular form which says: "I hereby return your cheque for your tender," &c. It did not state why it was rejected. I was reading it when I said: "How do you do, Doctor." "How do you do Mr. Mayes." He said: "Now Mr. Mayes, I am sorry that I cannot give you that money back that you have let me have."

Q. That was a private transaction? A. Yes, I had paid him in advance and he confessed he should pay it back to me which he never has.

Q. How much was that? A. $1,350. This was besides $2,000, the amount of a note which I gave him on the 16th of October, 1905, which was subsequent to my getting the contract. The contract was awarded on or about September 6. Then I said: "Doctor, never mind that, I am going to ask you for a favour." He said: "Yes?" I said: "Do you know Mr. Hyman, Minister of Public Works?" "Well," he says, "no, I just met him." but now; he says, "do you know George McAvity?" I said "Yes, I have known him twenty-five years." He says: "You go and see George. George and Charlie Hyman are great friends, and you get him to write, he will introduce you." I said: "Thank you Doctor, I will go and see him." I went that day. It was in the morning. I went afterwards to see Mr. McAvity but he was away that day. I went the next day and saw him.

Q. Where did you see him? A. It was at his office and I asked him if he knew Mr. Hyman. "Oh," he says, "very well." "Well," I said, "I have tendered for work and received my cheque back and new tenders were being asked by the department, advertised in the evening papers published on each of those two nights, as well as the night before I saw Mr. McAvity, as also the night before I went to see Mr. Pugsley, and that I did not want to go to the trouble of putting up $20,000 deposit unless I knew that there would be a contract awarded to somebody and I wanted him to give me a letter of introduction to Mr. Hyman if he would be kind enough, and I would go up and see Mr. Hyman and see if the department intended to carry on the work or not." He said: "When are you going?" I said: "I will go Monday night." He said: "I am going with my wife on Saturday night to spend Sunday in Montreal, I will meet you in Ottawa. When could I see you there?" I said: "Could we meet there Tuesday?" He said: "When are tenders received?" I said: "On Wednesday." He said: "All right, I will meet you at the Russell House at two o'clock on Tuesday

afternoon. "He said: "Where do I come in on this." I said: "What do you mean?" He said: "Do I get anything out of this?" I said: "Would you like to get in in tendering?" He said: "I would not mind." I said: "I shall be glad to have you put $20,000 or $40,000 into it with me as long as I will be managing owner." He said: "What will it cost?" I said: "Well, considerably over $100,000." "Well," he said, "we can talk about that after we come back." I said: "Mr. McAvity I shall be pleased to have you or your friends take an interest in the business," and I named over four or five of leading Liberals whom I thought would wish to get in to take an interest in the company. I named Mr. John E. Moore, Mr. Percy W. Thompson, Mr. T. H. Esterbrookes. He said: "We will see about that after we come back." Of course the idea was whether we would get the contract or not.

Q. Was Mr. McAvity aware when you went to see him of the business that you were coming about? A. I believe he was. He did not tell me so, but I believe that Dr. Pugsley told him that I was coming to him. I could not swear to that.

Q. It came out later that he knew? A. Yes, but I cannot swear to that, I am only on guess work there but I have no doubt at all, none of us have any doubt.

Q. What do you found your belief on? A. Something that came out in conversation. However, I could not swear to that. We met at the Russell House, Ottawa, on Tuesday, September 5, 1905, at 2 o'clock p.m. We were to see Mr. Hyman at 2.30 o'clock p.m. Mr. McAvity introduced me to Mr. Hyman. We talked a little while and Mr. McAvity went out.

Q. Did you talk about the business? A. Yes, whether they intended to do the work in St. John harbour or not, and how many yards there were to be done and I proposed then if the government would guarantee me 400,000 yards to warrant me bringing a dredge of the type I was after, a costly dredge, from the United States, I would tender for it, but otherwise I would not bring a dredge here on a small amount of dredging.

Q. Did you mention the sum? A. The cost of the dredge? Oh no. Mr. McAvity and I went to Mr. Hyman's office. Mr. McAvity went inside and saw Mr. Hyman before I went in. Then Mr. McAvity came out and took me in and introduced me. We then conversed over the matter and I asked for the 400,000 yards because I wanted to be sure of getting a contract of that extent before I sent and bought a dredge in the United States of the kind which I thought necessary for that work. Then Mr. Hyman called in his chief engineer, Mr. Lafleur, and after conversation between the four of us, Mr. Hyman instructed Mr. Lafleur to give me a letter stating that the government would guarantee up to the extent of 400,000 cubic yards. By the direction of Mr. Hyman, Mr. Lafleur took me to his office and in my presence gave instructions for the writing of a letter to me stating that the government would guarantee up to 400,000 cubic yards of dredging if I got the contract. Before I left Mr. McAvity and Mr. Hyman it was understood between Mr. McAvity and me that after seeing Mr. Lafleur I should go back and see Mr. McAvity in a room near Mr. Hyman's office. After I got through with Mr. Lafleur I went back to Mr. McAvity in pursuance of this arrangement and saw Mr. McAvity.

Q. What took place then? A. When I met Mr. McAvity at 3.30 o'clock I told Mr. McAvity that it was all right, that I was going to tender. Mr. McAvity said, "Here is something I wish you to look at," and he pulled out an agreement. I said, "Why where did you get this?" "Oh," he says, "there are lots of them up here." I said, "I do not know anything about this, I did not agree to do this." I said, "Why not get back to St. John." We had talked in St. John about him going in in the dredging as I mentioned before. When he presented this document to me it was to me a shock, because nothing like it was anticipated by me. The document was headed, "Memorandum of Agreement." The purpot is that I was to pay him anything over and above fifty cents per yard. I had in St. John told Mr. McAvity that I had tendered at fifty cents and was going to tender again at fifty cents a yard. That was almost the first question he asked me.

Q. Did he suggest then that you should increase it? A. He pulled out of his pocket an agreement of which this is a copy: (Producing a document which was filed and marked as exhibit 1). This agreement would bind me, if I signed it, to give him anything over and above fifty cents a cubic yard which I might receive. It mentioned fifty-five cents per cubic yard as the price of my tender instead of fifty cents which I told him I was going to tender at and which I intended to tender at.

Q. Did you speak to him about the increased price? A. As soon as I read it I said, "Mr. McAvity, where did you get this?" He said, "Oh I got it up here, there are lots of them." I said, "I cannot agree to that." He said, "Why not?" I said, "It is all one-sided. We did not talk about this before, it is new to me." He said, "What do you want me to do?" I said, "There is nothing there binding you to do anything," and I said, "The time is nearly up, I cannot do it." He said, "What do you want me to do?" I said, "I do not know, I am not a lawyer." He said, "I will do anything that you want me to do." I said, "I am not a lawyer, I cannot think of anything, only I cannot agree to this." "Well, Mayes," he said, "you better." I paused a moment, and then I said, "Well, Mr. McAvity, I shall write something, you must do something if I have to make this tender to suit you. I then wrote a little memorandum whereby he promised to use his influence with the Minister of Public Works or the officers of the government at Ottawa, to increase the number of yards to be dredged at the place. He said, "I will sign that, it is not worth the paper it is written on, but I will sign it."

By Mr. Ducharme:

Q. Did he sign it? A. He signed it there and then. We have the original somewhere.

By Col. Armstrong:

Q. Was anything more said to Mr. McAvity at that time? A. Nothing more was said. I said, "It is only a few minutes to make out the tender," which I understood had to be in at four o'clock, and I filed it in at fifty-five cents and took it to the post office where I learned that they would be in time if mailed before 8 o'clock that night. Accordingly before that hour I put it myself in the post office at Ottawa and enclosed a certified cheque which I took up with me, for twenty thousand dollars, made payable to the Minister of Public Works.

By Mr. Ducharme:

Q. You tendered at fifty-five cents on account of this agreement you had signed with Mr. McAvity? A. Yes, sir.

By Col. Armstrong:

Q. You had gone up with the intention of putting in a tender at the former price of fifty cents? A. Fifty cents. Then the next day I was informed by Mr. Hyman, I called on him at his office at Ottawa, and was informed by him that my tender was the lowest tender.

Q. Did he say you would get the contract? A. Yes. A letter was given me, I received a letter from Mr. Lafleur stating that in the event of the contract being awarded to me the department would guarantee that I would have at least 400,000 yards of dredging to do. The prices were fifty-five cents per cubic yard in class 2, and $5.60 in class 1 for a quantity not exceeding 3,500 cubic yards, any additional quantities to be paid for at the rate of $5 per cubic yard.

Q. Were you asked to sign that? A. Yes, "I hereby agree to the above mentioned conditions." This was in duplicate and I signed a memorandum at the foot stating that I agreed to the above conditions.

Q. What was class 2? A. Class 1 would be boulders and class 2 would be all other material.

Q. Did you see Mr. McAvity again after signing that on Tuesday or the next day? A. I think so, yes I did, and he knew from either Mr. Hyman or myself that I

had received the contract, and I then left for Boston at three o'clock that afternoon. Mr. McAvity intimated to me that his friends would like to come in to the proposed company and we agreed to meet together in St. John and talk this over upon my return from Boston. I went to Boston and arranged to get the dredge made ready to be towed to St. John.

Q. You bought the dredge? A. Yes, I arrived home in a few days. Mr. McAvity was there and I asked him if his friends were going in. He told me that he was trying to see Mr. Moore and expected to see him in a few days. I continued to talk about the subject for about a month and finding that nothing came of it I abandoned the idea of a company, and I had to raise the money and pay for the plant myself, no one assisting me at all, Mr. McAvity never putting in one cent in the business.

On October 15, 1905, I received a telephone message from Dr. Pugsley asking me to call and see him the next day.

Q. Was the dredge working then? A. The dredge had just got to work about a few days. He said, "Mr. Mayes, I am in need of money and it will be nice if you could help me." I said, "Doctor, what for? You know I have paid you some $1,300 in my second case against Connolly, which you have in a way offered to pay me back, because you have said that Mr. Emmerson was so slow in bringing up the matter and I have not the funds. I am carrying a big load and am paying large amounts to the Bank of Montreal for overdrafts." Just then Mr. George McAvity came in and Dr. Pugsley said that Mr. Mayes' business was getting along so well that a little money would be very acceptable. I again stated that I was carrying a big bank load and thought I could not see why Dr. Pugsley should ask me for money. I said, "What do you want it for, a loan?" "Well," said Dr. Pugsley, "you see it would be nice to have some one who could do something for you while in Ottawa." There was always something to be done, and if I could not give him a cheque that I could give him a note for three or four months. I asked him how much, and he said "Oh, about $2,500 or $3,000." I said, "That is too much, but I suppose I will let you have a note for four months for $2,000." Dr. Pugsley then made the note out and I signed it.

Q. Why did you give him the note? A. Because I was in terror of him in a way, the two of them were there, Mr. McAvity. I asked him if it was a loan or not, and I felt that it was true, that Dr. Pugsley was a man of power and I was rather afraid that I was intimidated and I had better give it to him, that he could help me and perhaps if I did not do it he would be an enemy to me.

Q. He was a man who had influence at Ottawa? A. Yes, sir.

Q. He was a strong Liberal, and could make it uncomfortable for you? A. Yes, sir, I felt that strongly.

By Mr. Ducharme:

Q. Did Dr. Pugsley ever pay you that money? A. No, sir, and never intimated he would.

By Col. Armstrong:

Q. Did you ever speak to him about it? A. During the discussion, and from what appeared in the papers, there was enough intimation to him that I wanted it. I never spoke to him afterwards about it.

By Mr. Ducharme:

Q. The $2,000 was never paid back to you, nor the $1,350 already mentioned? A. No, sir, neither has been paid me since.

By Col. Armstrong:

Q. And he has never got any work for you since? A. He has never done any work for me since.

Q. Was the $2,000 due to him at that time? A. No, sir, he owes me to-day the $2,000 and the $1,350 with interest.

By Mr. Ducharme:

Q. Was that note given to Dr. Pugsley in the presence of Mr. McAvity? A. Yes, sir.

Q. Has Mr. McAvity made any remark to you about this payment? A. I am leading to it. Dr. Pugsley said he felt sure he would give me good return for it or pay it back. I went out and was followed shortly afterwards by Mr. McAvity who asked me what in the devil I gave Pugsley so much for. He got $1,000 more than enough. I asked him why he had not said so, and he replied that he could not interfere, but that it was pretty hard to ask for money. I said yes, and what did he do it for, and Mr. McAvity said that he (McAvity) had arranged with Mr. Hyman for the contract and that Dr. Pugsley had not done anything, he asked, Why should Dr. Pugsley ask for that $2,000, that Dr. Pugsley had not done anything.

By Col. Armstrong:

Q. When did you make the first payment to Mr. McAvity? A. On the 29th of January, 1906.

Q. How much was it? A. $4,000.

Q. Why did you pay it to him? A. Because he asked me for it.

Q. By letter or verbally? At that time I think it was verbally. I was doing business with Mr. McAvity in other ways. I bought a great deal of pipe and got work at their foundry, and did a lot of work. I turned a great deal of work into them and was at his place of business mostly every day and frequently he would call me in and in that way I saw him and he would ask verbally, he would speak about it, but on one or two occasions I gave him other amounts as I received it without his asking. But practically it was either in consequence of his writing or my speaking to him that I paid him. That would relate to all payments prior to the last one. The payments I made to him were as follows:—

January 29th, 1906	$4,000
July 6th, 1906	2,000
August 8th, 1906	2,000
August 24th, 1906	2,000
October 20th, 1906	4,000
October 30th, 1906	2,000
November 23rd, 1906	2,000
April 6th, 1907	4,300
August 1st, 1907	5,000
November 12th, 1907	8,633

making a total of $35,933 paid to Mr. McAvity. In the summer of 1907, in August of that year, Mr. Pugsley became Minister of Public Works, and afterwards in November, 1907 the Dominion Dredging Co. were awarded a contract to dig on the 600 foot extension at 90 cents per yard. Prior to this tenders had been called for the dredging of 100 feet from the shore end of my contract to Union Street. This dredging consisted largely of slab and edging which made it difficult to dump out of the scows, and I tendered at 90 cents and was awarded the contract as the lowest tenderer. The Dominion Dredging Co. were awarded this 600 feet extension at 90 cents a yard, the same price as I had for the 100 feet to Union Street. This 600 foot extension was easy to dredge. It was the sawdust from the river which was very easy to dig. I did not get an opportunity to tender for it and no tenders were invited for it as far as I know. I believe no tenders were asked for for this reason, that Mr. Emmerson had come here a short time previously and had met the Board of Trade and had said that the government would buy a dredge, and that he had got or would get $200,000 appropriated by the government to purchase a dredge for St. John harbour. He applied to me to refer him to parties having a proper dredge

to do the work, which I did, and I gave him the name, among others, of a dredge on which I at that time had an option, to tender for the work and which the government found on report of its officials were unfit for the work. Mr. Stewart acquired that dredge subsequently and brought it down and did the work here with it. It was No. 4 dredge.

Q. How soon after you recommended that particular dredge did that particular dredge come down here? A. It came here prior to the 1st of July.

Q. Not a month? A. No., that would be four months afterwards. That particular dredge was purchased by Mr. Stewart, of Ottawa, of the Dominion Dredging Co.

Q. What Mr. Stewart was that? A. Mr. R. Gordon Stewart, of Ottawa, a son of Mr. Robert Stewart, then member of parliament for the City of Ottawa. The work was done under the name of the Dominion Dredging Co., but Mr. R. Gordon Stewart was the manager of it, and was here nearly all the time actually superintending the work.

Witness retired.

The Commission adjourned.

St. John, N.B., Friday, August 9, 1912.

G. N. Ducharme, Esq., Commissioner, held a sitting in the office of Colonel Armstrong this morning at Ten o'clock.

Gershon S. Mayes (re-called):

The Witness.—Resuming where I left off last night, the Dominion Dredging Co. were working on the 600 foot extension of the Rodney slip work. My contract was for Berth No. 5, Rodney slip, up to and into Union Street, and what I undertook to do was particularly hard on account of there being a great many boulders and a lot of hard pan. The 600 foot extension was an extension of my contract. It was on the second contract into Union Street that I got the ninety cents a yard.

By Mr. Ducharme:

Q. Would you kindly explain the three contracts to which you have referred? A. My first contract was for dredging commencing at a point 100 feet from the edge of Union Street outward 500 feet, taking in Sand Point slip, to a depth of 33 feet below low water. That turned out to be a boulder district and hard pan.

Q. What price had you for that? A. For that—55 cents except for boulders over two cubic yards. The majority of the boulders went in as soil because they were less than two yards. The total amount of money I received for boulders was very small in proportion. My second contract consisted of digging 100 feet further inward which removed Union Street. The dredging there consisted mostly of heavy slabs and edgings which would not dump out of the scows, causing great delay and difficulty and therefore I had to raise my price to ninety cents per cubic yard. The third contract was for the dredging of an extension of 600 feet out from the outer end of my first contract towards the harbour. This contract was awarded eventually to the Dominion Dredging Co., but prior to their coming in, my dredge was put on by the government to dredge until the Dominion Dredging Co.'s dredge was ready which was about the 1st of July, 1907, and I dredged about six weeks.

Q. How much did you get for that part of the work? A. Ninety cents.

Q. You charged the price that Mr. Stewart was to get? A. Yes, ninety cents.

Q. What kind of dredging was it? A. It was splendid dredging material, easy to dredge and easy to dump, the finest we had yet. It was extremely remunerative at that price. The actual cost would be about twenty-five cents per cubic yard. The Dominion Dredging Co. began work on the 1st of July, 1907, and I was ordered off the day before to go back to the fifty-five cent dredging on my own contract. I had been at work about five or six weeks on the extension when I was ordered off. Still later, after the Dominion Dredging Co. had completed their 600 foot extension, it was found necessary to dredge beyond that into the harbour. The total amount was estimated at 240,000 yards. At Mr. Pugsley's invitation Mr. Stewart and I went to his office, and Mr. McAvity and the engineers, and we were asked if we would agree to do the dredging beyond this extension at the same price, namely, ninety cents a yard. I said I would be pleased to do so, we both acquiesced, and Mr. Pugsley said we could do the work without tenders, and it was then and there agreed between us all that we should each do about one-half. The total was estimated at 240,000 cubic yards.

Q. How was it that you only did 38,000 cubic yards? Your machine was as capable as the other? A. Just the same, sister vessels.

Q. Why did you not do as much? A. They would not allow us, the other man put a dredge on and forced us off, and they had Mr. Valiquette down and he said I was over the line. It was all fixed up between them. The lines were drawn by Mr. Scammell, the engineer here to indicate the one-half I was to dredge, and the one-half the Dominion Dredging Co. was to dredge. I thought the division was not fairly made, and I called attention to it and protested and continued to protest. Then Mr. Valiquette was sent down and he confirmed the line as laid down by Mr. Scammell. I hired an engineer named Holt, and he made figures that showed they were wrong but he was not listened to.

Q. Did he meet Mr. Valiquette and Mr. Scammell? A. Yes, the engineers met together and Mr. Holt made a report stating where he thought the division line should be moved to, and Mr. Valiquette said no, he could not do it. They spent several nights together going over the figures and the results were that I was paid for 38,000 yards. They got the balance.

Q. How much was that? A. It was estimated that there was 190,000 or 200,000 cubic yards in the whole job. So far as I know no tender was asked for the contract for the 600 foot extension; it was given to Mr. Stewart at ninety cents a yard. When I was sent back to do the cleaning up of the 55 cent work it was very difficult by reason of it being so deep that we could not work more than one-half the time. Besides there were very many boulders there, and the engineers and others about this time made it very difficult for me to go on with the work, showing plainly that they wanted to get clear of me.

By Col. Armstrong:

Q. You have spoken about this 600 foot extension. Have you ever considered what would have been a fair price? A. Fifty cents.

Q. There would be good profit in that? A. Good profit.

Q. It would cost about what? A. Twenty-five cents to thirty cents.

By Mr. Ducharme:

Q. That is for the 240,000 cubic yards? A. And also for the 600 foot extension.

Q. Was the 240,000 cubic yards better than the 600 foot extension? A. It was about the same, it was in deeper water. The dredging was getting more shallow. In November of that year they pushed me so hard that I would not pay any more money to McAvity, and I wrote this letter.

(Letter produced and filed as Exhibit No. 2).

By Col. Armstrong:

Q. How did the payments for your work come on? A. They were coming on once a month.

Q. Towards the end of 1907 they came on slowly. Do you think this could have been due to the appropriation having run out? A. Yes, and I wrote a letter of which this is a copy to Mr. Pugsley dated November 23, 1907.

(Letter produced and filed as Exhibit No. 3).

Prior to my letter I saw Dr Pugsley and asked him if he would let me off the balance of my contract at fifty-five cents a yard. He said he would recommend it if Mr. Valiquette would recommend it.

Q. Did he say anything about that time about your not having paid Mr. McAvity? A. I find by reference to my diary that on October 26, 1907, I saw Dr. Pugsley and conversed with him about the dredging, and he advised me that Mr. McAvity and Colonel Baxter and myself should get together and he would have an engineer from Ottawa, and Mr. Holt re-measure the work. He left for Ottawa that night. On the 30th I wrote to Dr. Pugsley that I had sent a statement to him and Mr. Valiquette asking for fair treatment. I was practically driven off the work by unfair measurements, stating that I had received my proportion when I had not. During this time Mr. Pugsley would ask me if I had fixed up with Mr. McAvity. In one case where I knew I had not, I said I have seen him but I have nothing to say to him. I find on reference to my diary that on November 11, I had an interview with Dr. Pugsley and he told me to write him with reference to the measurement. He also thought I had better fix up with Mr. McAvity. With that I said I would. I find on reference to my diary that on the 12th day of November, 1907, I saw Dr. Pugsley three times *re* George McAvity's payment, and also phoned him at 5.45 o'clock and found him at his office getting into a coach to go to Ottawa, and told him that I had fixed up with Mr. McAvity.

Q. Did you go afterwards on that day and fix it up with him? A. No, I told him I had fixed up with Mr. McAvity. I had previously paid on the same day to Mr. McAvity $8,633, which was all he said was due to him at that time. That was all that he asked me.

By Mr. Ducharme:

Q. What would be the reason that you owed him this amount? A. It was his claim that I owed him and I took his word for it because he said that he had been to Ottawa, or had got the returns from Ottawa and the amount due me by the government, and of course ten per cent of that he took. He asked for it and he got it. This was the last payment that I paid him.

By Col. Armstrong:

Q. Did he do anything to earn this money? A. Not an atom except to see Mr. Hyman at Ottawa. The expense of going to Ottawa from Montreal, and possibly he might charge for going to see Dr. Pugsley with me. As far as I know he did nothing for me except to go to Ottawa on the occasion of obtaining the first contract, and he went some time afterwards to see Mr. Pugsley about it. At one time in giving a cheque to Mr. McAvity he stated that he was sending some of this to assist Mr. Hyman in an election and there were other ways that he was dispensing it. That is only in reference to one cheque. I do not know about the others, he mentioned that. In the fall of 1907 I had a conversation with Dr. Pugsley in the presence of Mr. J. B. M. Baxter with reference to the unfair treatment regarding the division of the dredging, and I complained strongly that Mr. McAvity was not doing anything in the way of assisting me and that I had paid him a large amount of money which I considered was unfair, and I said: "Dr. Pugsley you know that Mr. McAvity has received a large amount from me." He said: "Oh, Mr. Mayes, you must not tell me anything about that now, I am a minister." Mr. Baxter heard that. That is why I mentioned that, it was in the presence of Mr. Baxter.

Q. After you made the last payment to Mr. McAvity did any good result come from it? A. None at all. They knew when I wrote my letter of the 23rd of December that my work was completed, it was chaos then with me.

Q. When was the work finished? A. July of next year. I wanted my money. On the 24th of July I wired the minister that my contracts were completed and that the engineer in charge had given a certificate. I was then entitled to receive the balance of all moneys claimed. Not receiving the money, I saw the minister on the 20th of August, in St. John. After waiting a long time I saw him. He told me he had received a telegram from George McAvity not to pay me the balance of the contract until I had paid him. I said, is that the reason I have been waiting for my back pay that he (Dr. Pugsley) had promised to give me what he was holding back three months ago. He said he had received my letter asking for it, but he had better retain it until I had fixed up everything with George McAvity, and advised me to see him right away. I asked him how much McAvity wanted, and he said he would find out. He asked me to see him again at 9.30 o'clock to-morrow. On the next day, the 21st of August, I saw him again. He wished me to see George McAvity and get things straightened out. He was most anxious. I told him I had met McAvity a dozen times this summer and while he had spoken in a friendly way, he never asked me to see him or talk to him. I suggested sending Mr. Baxter in my place. He said, yes, and telephoned to George McAvity that I was in his office, and that Mr. Baxter would go down and see him (Mr. McAvity) for me, and he hoped that things could be arranged without a suit between us. We then had some conversation about the error which I claimed had been made in the estimates, and later I left, and then I hunted up Mr. Baxter.

Q. Did you go with Mr. Baxter? A. I found him at a meeting in the York Theatre on newspaper business. Mr. Baxter told me he had met Mr. McAvity in the Law Library, and he had told him I would pay him all I owed him if he would get the department to clear up all the accounts and put them through so that I could get my honest dues. The Law Library is just near Mr. Pugsley's office. On the 21st I again called on Mr. Pugsley at three p.m. I told him that George McAvity would not do anything or give any satisfaction. Well, Mr. Pugsley, said I should not have sent a lawyer, and he added, that he wanted me and George McAvity to arrange the matter, and that I had better see Mr. McAvity. He also asked me how much I owed him. I said I would pay him (McAvity) all I owed him when everything was settled up. I then asked Mr. Pugsley to wire the department to send me the July estimates, some $30,000, and then there would be sufficient to hold for Mr. McAvity, as there ought to be over $50,000 coming to me. He said, "I want you to settle up with George McAvity first, and when that is done I will give you your balance." I said: "Will you not find out how much I have coming to me, please wire to your accountant." He said: "I have the amount at my house at Rothesay and will bring the account in to-morrow morning." I said: "How much is it?" He replied: "$56,000." I said: "Why not wire to Ottawa to have the July estimate of $30,000 sent to me and retain the $26,000 as security to pay Mr. McAvity out of," which I said accounted for $8,000 or $9,000. He replied: "No, he could not pay me until I had paid McAvity." I said "Doctor, can you, as a Minister of the Crown, hold my money in that way." He said he thought he could. I said: "I do not think so," and I asked him if he knew how much McAvity claimed. He said he would know in the morning, and for me to call in the morning. I then asked him to straighten out the Core matter and he said he would, and I left.

I have before me my diary with which I am refreshing my memory. The entries were made in the book from day to day as they occurred. I find by reference to my diary that on the 22nd of August, 1908, I saw Dr. Pugsley at noon. He said that he was anxious that I should see Mr. McAvity and fix up matters right away, that he did not wish to have the affairs in the courts. He asked me whether I would state whether I owed him anything or not. I asked him if Mr. McAvity stated how much he claimed I owed him. He replied, No. He then produced from his pocket an account which he said he had brought from Ottawa, and he showed it to me, showing that the government owed me $56,591.63, which included $25,000 received for dredg-

ing the city berths. I got a copy of this statement from him. The reason I did not know previously how much the government owed me was this, that their inspectors would measure the contents of each scow, they would make a report to the engineer's office here, and without my knowing how much the barges contained, they would forward these figures to Ottawa. I would not know the amount until about the middle of the following month, and therefore I did not know at any time exactly how much the government owed me. But I found that Mr. McAvity knew before I did. They would send on to him at his request the measurements which had been forwarded from here to Ottawa.

Q. Did you ever ask them at Ottawa to give them to you? A. I applied many times to know the measurements in anticipation of my getting them down in the middle of the following month, but failed to get that information. Mr. Pugsley then proposed, and very strongly urged me to take his advice, that he should give me $50,000 on account and that I should pay Mr. McAvity what Mr. McAvity claimed to be due to him, and then that we should exchange receipts and thus avoid the courts. Further, that he would send for Mr. McAvity. He told me that he meant by exchanging receipts that I should hand back to Mr. McAvity the cheques that I had given to Mr. McAvity and which Mr. McAvity had endorsed for this large sum of nearly $36,000. I said in reply that I would agree to send for Mr. McAvity if I could have Mr. Baxter present. To this Mr. Pugsley demurred and said I had better not have a lawyer. I then asked him to arrange to have Mr. H. A. McKeown, who was a lawyer and friendly to his government and a supporter of his, appointed as a referee to investigate my claim. These claims which I had for balance and other things. He said he would do that. I complained to him that I had written to him and that he had not sent me a reply. He said he was busy. I said that they had not given proper measurements of scows or had not allowed for boulders and had not allowed a fair division of the 400 foot extension, and I complained to him generally of the treatment I had received, and I told him that I felt that the department would not give me any more work. He said, "Will you pay Mr. McAvity if I give you $50,000 on account?" I said, "I do not see that I could." He said, "You go and think it over and come this afternoon." Later on the same day, which was Saturday, in the afternoon, I went to Mr. Pugsley's office and found he had a private meeting in his general office, but he left the meeting and came out and saw me in Judge Trueman's office adjoining. He said, "What have you decided?" I told him, "I am more convinced than ever that I have had very hard usage from his officers." He said that if I would make up my claim by Monday he would take it with him to Ottawa and would place it before the Cabinet on Tuesday and recommend that Mr. McKeown adjudicate upon it.

Q. Did Mr. McKeown adjudicate upon it?. A. Mr. McKeown did not adjudicate upon it and I believe was never appointed.

Q. But did Mr. Pugsley give you any explanation of that? A. No, I have said nothing about it. Then I saw him. He said, "Mr. Mayes, I wish you would trust to me and I will straighten this out." I said that I could not, that I had trusted him for a year and had been refused by him in every request. That same night I wrote Mr. Pugsley. I came back and wrote a letter to Mr. Pugsley and sent it down to the Rothesay train and had it delivered to him before he left. I got a letter in reply to that.

Later I got a reply to that written on the 24th of August, the original of which I produce, which shows that he actually admits the conversation about Mr. McAvity.

(Letter filed as Exhibit No. 4).

On the 24th Mr. Pugsley saw Col. Baxter and told him he would send a cheque down for the balance due me. On the 17th of September I received a telegram from Mr. Kingston, accountant, that $31,000 left Ottawa to-day for me. That is out of the $56,000. On the 19th I got a cheque from Ottawa for $31,429.

By Col. Armstrong:

Q. That left how much due you? A. About $25,000.

Q. Did you ask for that? A. On the 25th I wired Mr. Kingston that the engineer had certified the completion of all work done two months ago. I got the engineer here to wire the same. Mr. Kingston said he could not send a final cheque.

The Commission then adjourned.

AFTERNOON SITTING.

St. John, N.B., Friday, August 9, 1912.

The Commission resumed at 2.30 o'clock, in the office of Colonel Armstrong.

G. N. Ducharme, Esq., Commissioner, presiding.

Gershon S. Mayes (re-called):

The Witness.—Continuing my testimony, on October 1, I received $9,000 on account of the final estimate, apparently holding back the $5,000. This left a balance of $5,091

By Col. Armstrong:

Q. For which you have actually sued? A. On the 22nd of September I received $2,760. That followed three days after the $31,429.

Q. The balance left due to you you say was $5,091 which you made every effort to collect without suit? A. Without suit.

Q. But failed to do so and finally brought action dated May 1909? A. For that amount and other amounts, and later a judgment was given for me by consent for the $5,091 and the $4,660 in settlement of the other claim I had. There was great delay in connection with the suit. The suit was begun in May 1909 and the case was not settled until October 13, 1910, the delay being caused by the government in withholding permission to file the petition of right, and secondly, in postponing the trial for six months.

By Mr. Ducharme:

Q. About that judgment for $4,660, can you explain how it was made up? A. No, sir, I cannot.

Q. Can you explain more fully how the price of ninety cents per cubic yard was arrived at for the upper 100 feet from your original contract to Union Street? A. That was advertised by Mr. Shewan for a month and two tenders were put in. Mr. Moore put in a tender for $1.25 and my tender was ninety cents. They were legitimate tenders I think. I sent $10,000 away with my tender as a deposit. I do not think Mr. Moore had any dredge to do it with but I had. The Board of Trade and the city wanted it and that is what caused Union Street to tumble down. It was estimated at 142,000 yards and it turned out a few more.

Q. After you refused or hesitated to pay any more money to Mr. McAvity did you find any difference in the attitude of the people with whom you were dealing in relation to the dredging? A. Yes, I found a great change growing all the time against me, and I would not have made the two last payments to Mr. McAvity had it not been for continued suggestions from Dr. Pugsley. From the time I began to be slow in my payments to Mr. McAvity, Mr. Pugsley ceased to be of any assistance to me in getting me my rights.

Witness retired.

The Commission adjourned.

EXHIBIT 1.

MEMORANDUM OF AGREEMENT made this Fifth day of September in the year of our Lord one thousand nine hundered and five. BETWEEN Gershon S. Mayes of the City of Saint John in the Province of New Brunswick, Contractor, AND George McAvity of the same place, Merchant.

WHEREAS the said Gershon S. Mayes has made a contract with the Government of Canada to dredge a certain portion of the harbour of Saint John for fifty-five cents per cubic yards.

AND WHEREAS the said George McAvity is interested in the said contract with the said Gershon S. Mayes and it has been agreed between them that the said George McAvity shall receive all moneys paid to the said Gershon S. Mayes for the said work over and above fifty cents per cubic yard.

NOW THIS AGREEMENT WITNESSETH that the said Gershon S. Mayes in consideration of one dollar in hand well and truly paid at or before the ensealing and delivery of these presents and of divers other good causes and considerations him thereunto moving HEREBY AGREES with the said George McAvity to pay the said George McAvity his executors, administrators or assigns all moneys which may be received by the said Gershon S. Mayes for dredging the said harbour of Saint John upon the above mentioned contract or any continuation thereof over and above fifty cents per cubic yard and the said Gershon S. Mayes agrees to pay the said money to the said George McAvity as the same are received by him from the Government of Canada or from other persons paying the said Gershon S. Mayes for the said dredging.

IN WITNESS WHEREOF, the said parties hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered in presence of } (Signed) Gershon S. Mayes, L.S.
(Signed) Geo. McAvity, L.S.

AND WHEREAS the said George McAvity is to receive moneys out of the performance of the above contract, He agrees and promises to use his influence and endeavours with the Minister of Public Works or officer of the Government at Ottawa, to increase the number of yards to be dredged at the aforesaid site of contract.

(Signed) Geo. McA.

The above is a true copy of the Agreement made between and signed by Mr. George McAvity and me—and of the Memorandum thereto added and signed by him by the initials "Geo. McA." referred to in the evidence given by me at Saint John, N.B., before Mr. Commissioner G. N. Ducharme of the Public Service Commission of Canada.

G. S. MAYES.

EXHIBIT 2.

St. John, N.B., 23rd December, 1907.

George McAvity, Esq., St. John,

My dear Mr. McAvity,

I enclose you a copy of a letter which I have received from Hon. Dr. Pugsley. The contents of that letter, it is needless to say, were a complete surprise to me. Its tone is not such as I have a right to expect from one with whom I have had intimate relations and personal friendship for upwards of twenty years. Still less is it such a letter as should have been sent me by a man who demanded and got $2,000 from me for the assistance he was to give during the term of my contract. Now Mr. McAvity, you know the state of affairs as well as I do myself. You know that my tender for 55c. on the first contract was the lowest and that I was entitled both in law and justice to the contract. You know that I have had to pay at the toll gate to get a chance to do the work for the government and that under our agreement you have already received upwards of $35,000 and doubtless, expect to get more. You know that the Minister is aware of this and you see the way in which he treats me. What have I done except to ask that my old contract might be cancelled and that I should be paid for all work done by me since the appropriation was exhausted at the same rate as the Dominion Dredging Co. have been allowed without tender and without even a formal contract. Was there anything in this request which would warrant the Minister in demanding that I should proceed as rapidly as possible and complete the work required under my contract? This, remember, at a season of the year when the prosecution of the work is extremely difficult: when it is imperative that I should lay my dredge up for repairs and when, the appropriation being exhausted, it is at my pleasure under the contract to cease work if I see fit to do so. Notwithstanding which I have lately been carrying on at a great deal of inconvenience a lot of work which is needed at the present time. Have I not been proceeding as rapidly as possible ever since I got the contract? I have been off the contract as you know for the purpose of working on the 600 ft. berth until the Dominion Dredging Co., could get their dredge here. You know that if the Government had given a chance to tender for that work that I could have got the same dredge and had her here months before or that the Government itself could have acquired that dredge and done the work. You also know that I have cleaned up the old berths for the City with the entire consent and approval of the Minister and at the urgent request of the people of this City. You also know that in my first contract I met with exceptional difficulties which have not occurred in the Dominion Dredging Company's contract though they are getting 90c. per yard against my 55c. You also are aware that almost from the start I have been harassed by servants of the department so that life has been rendered almost unbearable because of their annoyances.

Now I have come to the end of my patience. I demand a square deal. I *will* be put on the same level at the Dominion Dredging Co., or know the reason why. It is not for me to point out the way by which the proper adjustment is to be accomplished. You can get the Minister to work out that end of it. It is sufficient for me that I have paid and am paying the price. I now call on you to carry out your part of the bargain.

Dec. 16th, 1907.

Dear Sir:

I have had under careful consideration your letter of the 23rd ult., asking to be relieved of your contract of the 30th September, 1905, and after consulting with the

Chief Engineer of my Department and examining the contract and specifications very carefully, I have come to the conclusion that it will not be possible to comply with your request, and I have therefore to ask that you will proceed as rapidly as possible and complete the work required under said contract.

I shall be glad to learn from you how soon you will be able to complete this work.

I am,

Yours very truly,

(Signed) WILLIAM PUGSLEY.

G. S. Mayes, Esq.,
Saint John, N.B.

ST. JOHN, N.B., 26th December, 1907.

Hon. William Pugsley, Esq., M.P.,
Minister of Public Works,
Saint John.

My dear Sir:

My surprise at receiving your official letter of the 16th inst. asking me to proceed with my contract at a time when the appropriation is exhausted and it is at my pleasure to proceed or not as I choose, was equalled if not surpassed when I got your personal letter yesterday. As you have utterly ignored my request for advice as to how I should prefer my claim, I must take it that your official and personal views are the same. Aware, as you are, of the unfair and unjust preference which has been given to the Dominion Dredging Co. at St. John, I am unable to see any reason for your change of attitude towards me. On receipt of your official letter I wrote Mr. Geo. McAvity, reminding him of the large sums which I had already paid to him and insisting that I should receive a square deal. The Dominion Dredging Co. have been favoured in every way in the division of the 400 ft. dredging by your engineers; no notice has been taken of Mr. Holt's report, and I can not even get my dredging for the city passed by the officials of your department. If you are really unable to do me justice in this matter I shall be obliged to prefer my request to other Ministers and lay before them the same views as I have already expressed to Mr. McAvity. I feel sure that there must be some members of the Cabinet who will not approve of the Dominion Dredging Co. receiving 90 cents per yard for easy digging, without tender, as against 55 cents per yard for me in the most difficult work in the harbour and obtained by tender in the regular way, nor will they be pleased to learn that the work done and to be done by that Company will cost the Government at least $250,000 more than need have been paid had there been public competition by tender. I extremely regret that after our many years of friendship you should place me in a position where I have to write you such a letter as this. I remain,

Yours truly,

EXHIBIT 3.

St. John, N.B., 23rd November 1907.

Hon. William Pugsley, Esq., M.P.
Minister of Public Works, Ottawa.

Dear Sir:

Permit me to call your attention to the fact that I have not been paid for any work for the last three months. This is entirely due to the appropriation having been exhausted and does not reflect upon anybody. Notwithstanding this, at your request, I have prosecuted this work under my contract just as diligently as if I were receiving the money more regularly. I am sure you can understand what a burden this has imposed upon me when you consider the extreme difficulty of getting money to-day from our banks for any purposes. I have a large overdraft for which I am paying a heavy rate of interest. Had I so chosen, I could under the terms of my contract, have stopped work altogether and thereby practically stopped my expenditure but the result would have been that the work would not have been advanced to an extent necessary to provide for the opening of the winter port season which it practically is to-day. Under these circumstances I would suggest that you should cancel my old contract from the date of the last payment under it and substitute a new contract embodying all the work which remained unperformed at that date together with the work since awarded to me and which has recently been surveyed by Messrs. Valiquette and Holt, this work to be at the same schedule of prices as paid to the Dominion Dredging Co. for similar, though in many instances, not so difficult work as we have had the section which contains nearly all the boulders in that vicinity entailing serious breakage and great expense and loss. Besides this, you will find upon inquiry, that before I entered on my first contract a great portion of the high water work which belonged to it had been removed by the local government dredges. Consequently I have always had an undue proportion of low water work which has added very materially to the difficulties of the work.

Trusting that this request may receive your most favorable consideration.

I remain, yours sincerely.

St. John, N.B., 23rd November, 1907.

Hon. William Pugsley, Esq., M.P.,
Minister of Public Works, Ottawa.

Dear Dr. Pugsley:

I send you enclosed an official leter. Please advise me if I have put the request in the best form and if not, how I should base it so as to enable you to accede to it. As I am getting decidedly the worst of it on the division of the high water digging and as the other dredge was allowed to come here at their own prices without my having a chance to tender I think it is only fair that I should be placed upon an equality with them in the matter of price, at least.

I remain, yours sincerely.

EXHIBIT 4.

St. John, N.B., August 24, 1908.

G. S. Mayes, Esq., St. John.

Dear Sir:

I am in receipt of yours of the 22nd inst., and in reply would remind you when I informed you of the notice which I had received from Mr. McAvity that he was interested in the moneys coming to you from my department and had requested me not to pay them over until the matter was adjusted, you admitted that there was an amount coming to him, which you said you were prepared to pay, provided I would allow a further claim which you said you proposed making, and would also buy your dredge. The impropriety of your proposal, which I told you I could not possibly entertain, did not seem to impress you as it ought to have done.

As you in your letter deny any indebtedness to Mr. McAvity, I do not propose to intervene in the matter, and shall give instructions for the payment to you of the amount found to be due you by the accountant of my department. If you have any further claim on the department it will be dealt with on its merits. Whether or not you owe Mr. McAvity or have overpaid him, or whether or not there should be litigation between you, is, I beg to assure you, a matter of perfect indifference to me.

Yours truly,

WILLIAM PUGSLEY.

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PUBLIC SERVICE COMMISSION

1912

VOL. III

EVIDENCE

RE

REPORT OF THE COMMISSIONERS

PRINTED BY ORDER OF PARLIAMENT.

OTTAWA
PRINTED BY C. H. PARMELEE, PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1913

[No. 57—vol. iii—1913.]

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PUBLIC SERVICE COMMISSION

1912

EVIDENCE

RE

DISMISSAL OF R. E. COOK

Department of Public Printing and Stationery

OTTAWA, Tuesday, January 30, 1912.

PRESENT:

The Commission met this morning at 10 o'clock.

Honourable A. B. MORINE, K.C.
R. S. LAKE, Esq.

ROBERT EDGAR COOK, sworn.

By the Chairman:

Q. How old are you, Mr. Cook? A. 44 years of age.

Q. You are married and have a family? A. Married, three children.

Q. When did you first enter the public service? A. December 1887.

Q. In what position? A. Compositor.

Q. Was there a Government Printing Bureau at that time? A. No, sir.

Q. When did the government start the Printing Bureau? A. The Bureau was ready for occupation in 1889.

Q. When did you enter the Bureau? A. On the 1st of July, 1889.

By the Chairman:

Q. You were one of the original staff? A. The original staff, yes.

By Mr Lake:

Q. You gave evidence on an examination held by Mr. Murphy, the Secretary of State in 1910? A. I did.

Q. And the examination took place in July? A. July, 1910.

Q. What position in the Bureau did you occupy at that time? A. No official position, clerk in charge of the work that was sent outside.

Q. And your grade and salary? A. Second division sub-division "A", salary $1,800.

Q. You say that you had no special official position? A. No official position.

Q. What do you mean by that, you had an annual salary? A. Oh, yes, but no title or branch.

Q. You were a simple clerk in the office? A. Yes.

Q. But in fact you were in charge of what? A. The printing and binding which, through pressure of work in the Bureau, had to be sent outside for execution, also the lithographing, engraving, &c., that was sent out.

Q. Sent out to be done by contract or otherwise, outside the Bureau? A. Outside.

Q. How long had you been in charge of that work? A. About three years.

Q. You had been placed there while Dr. Dawson was King's Printer? A. Yes.

Q. And when being placed there you were nominally under the charge of the superintendent of printing? A. I was.

Q. Mr. MacMahon? A. Yes, sir.

Q. When Dr. Dawson placed you in charge of that work, was there some objection on the part of the superintendent of printing? A. There was. At first it was Dr. Dawson's intention to create a separate branch. The superintendent of printing pointed out to him that the Act of Parliament called for all class of work to be

handled under his supervision. The King's Printer gave way and placed the new room under the superintendent of printing.

Q. But did the superintendent actively exercise any control over it? A. No.

Q. You were allowed in practice to report straight to the King's Printer, and subject to his orders, you were practically in charge of that work? A. Yes, sir.

Q. That is the real position. On the examination before Mr. Murphy, then Secretary of State, in July, 1910, you were not sworn, were you? A. No, sir.

Q. Do you know whether Mr. Parmelee was sworn? A. He was not when he gave evidence in my presence.

Q. And as a matter of fact, the Secretary of State himself has said that none of the evidence was taken on oath. That is the case as far as you know? A. It is.

Q. Speaking in parliament on January 30, 1911, replying to a question by Mr. Northrup, I find Mr. Murphy made this reply. Mr. Northrup's question was:

"For what cause was Mr. R. E. Cook dismissed from the service?"

Mr. Murphy made the following answer:

"For disobeying instructions, wasting public moneys, placing orders outside the Bureau without securing competitive prices and for untruthfulness and incompetence." (Hansard, 1910-11, page 2673).

Q. Do you plead guilty or not guilty to that charge? A. Not guilty.

Q. At the time of your examination by Mr. Murphy, were you informed of any specific charges having been made against you by anybody? A. I was not.

Q. Were you told directly what complaint anybody had to make? A. I was not.

Q. Except so far as you might infer from the questions addressed to you, were you informed what was the subject of inquiry in reference to yourself? A. No, sir.

Q. You were not represented by counsel? A. No, sir.

Q. After the inquiry, what was the first thing that you heard flowing from it? A. After my giving evidence in the minister's office?

Q. Yes, after you had given evidence? A. I was suspended for three months shortly after, a few days after.

Q. In what way? A. I was notified by the King's Printer.

Q. Were you told what you had been suspended for? A. I was not.

Q. How long did your suspension last? A. Three months.

Q. Then did you report? A. I was not permitted to report. On my return to the city, I found a four line letter of dismissal in the letter box at my residence.

Q. Sent by the King's Printer? A. Sent by the King's Printer.

Q. You heard nothing directly, either from the minister or any person under the minister from the time of your examination until your suspension? How long was it from the day you gave evidence until your suspension? A. About a week.

Q. About a week. In the printed volume called "Inquiry into the Affairs of the Department of Public Printing, 1910," and the Debates in Parliament, have you any means of knowing what complaints were made against you? A. None.

Q. Or for what cause you were dismissed? A. None whatever.

By Mr. Lake:

Q. Have you ever been officially informed as to why you were dismissed? A. I was not. I made inquiry of the King's Printer who informed me that he had been given no reason by the minister.

By the Chairman:

Q. Mr. Parmelee said that he had been given no reason by the minister? A. Yes.

By Mr. Lake:

Q. In fact he professed ignorance as to why you had been dismissed himself? A. He did.

Q. When did Dr. Dawson cease to be King's Printer? A. About 18 months prior to my dismissal or thereabouts.

Q. And Mr. Parmelee was appointed immediately after he withdrew? A. Not immediately. The acting King's Printer was Mr. MacMahon, who was Dr. Dawson's successor.

Q. Soon after? A. Soon after.

Q. That would be about the beginning of 1909?

By the Chairman:

Q. You desire an examination on oath into these various subjects? A. I do.

Q. And have requested the Commission to hold it? A. I have.

Q. In the inquiry in July, 1910, Mr. Thomas Mulvey, Under Secretary of State for Canada was examined? A. He was.

Q. Were you in the room when he gave his evidence? A. I was.

Q. And heard it? A. I heard it.

Q. Reference was made during Mr. Mulvey's examination to a return ordered by the House of Commons on motion of Mr. Armstrong? A. I know the Armstrong return.

Q. That return was moved for by Mr. Armstrong on November 24, 1909, in these words: "For a return showing the total amount paid by the Government in each year since 1896 for all printing, advertising and lithographing done outside of the Government Printing Bureau." You remember that? A. I do.

Q. Now a return was prepared in the rough by you, and consultations took place between you and Mr. Mulvey concerning that return? A. They did

Q. There was some difference of opinion between you and Mr. Mulvey as to what should be embodied in that return? A. There was.

Q. The substantial difference as I gather from Mr. Mulvey's evidence was that he wished the return to show only the amount actually paid for the printing and the lithographing done outside the Bureau? A. That was the point. He objected to the inclusion of the paper necessary for the printing.

Q. And to some expenses in obtaining the material, such as express and freight &c.? A. Exactly.

Q. You contended that the return asked broadly for the entire expense of obtaining printing, advertising or lithographing outside the Bureau, and Mr. Mulvey contended that you should stick to the particular words of the motion and should not include in the return any of the expense of obtaining that work or even of the paper upon which that work was done? A. That is the point exactly.

Q. Although all these expenses and the cost of paper would be an expenditure by the government outside the Bureau? A. They were.

Q. As a matter of fact in some cases the cost of the paper would be shown in the invoice distinct from the cost of the printing or lithographing? A. It would.

Q. In some cases would the cost of the job be a fixed amount inclusive of both printing and paper? A. It would where the job had been put out for tender.

Q. Then in making a return of the work done by tender, if you tried to separate the cost of printing or lithographing from the cost of paper you could only do that by some sort of calculation of your own? A. Exactly.

Q. There would be nothing in the invoice to show any separation by the men who did the work? A. Nothing whatever.

Q. Consequently in case of such a separation in the return it would be mere guesswork? A. Purely.

Q. And to give the return the form which Mr. Mulvey thought it should take did involve an amount of calculation and guesswork to prepare that return, did it not? A. In many cases.

Q. That is the actual fact? A. It is.

Q. So that the return as prepared finally under Mr. Mulvey's instructions did not represent the expenditures as they had been made, but in the way you have pointed out really represented calculations made by him or by you or by somebody in the Bureau? A. That was the fact.

Q. In the evidence of Mr. Mulvey at the inquiry in July, 1910, I find him saying this:

"The return as prepared showed miscellaneous expenditures for express and telegraph and all that kind of thing."

Then Mr. Murphy asks him this question: "Purchases made at Rosenthal's and Birks"? And Mr. Mulvey answered:

"Quite so, and it showed also the cost of paper which was used on printing done outside the Bureau." What is meant by purchases made at Rosenthal's and Birks'? A. Visiting cards for ministers and deputy ministers.

Q. Paid for by the Bureau? A. Paid for by the Bureau.

Q. And coming, therefore, within the very words of the return, 'printing, lithographing done outside the Bureau? A. Yes, sir.

Q. Were these visiting cards in the name of the minister or his office? A. Visiting cards, official and otherwise. There are two classes of cards prepared for the ministers, their personal names and also the minister of whatever department it may be.

Q. And are these cards entirely ministers' cards? A. Ministers and deputy ministers only.

Q. Can you suggest why such an expenditure as that should not have been put into the return? A. I am certainly of the opinion it should be in the return.

Q. The reason I ask is that I am unable to understand why the minister should have asked a question in a tone of astonishment or objection to such things being in the return, and I thought possibly you might suggest why he took that tone. In any case you prepared the draft return with these things in and Mr. Mulvey objected to it? A. He did.

Q. And you explained your view of the matter? A. I did, in the presence of the King's Printer, in Mr. Mulvey's office.

Q. And you were overruled by Mr. Mulvey? A. I was.

Q. And you helped to prepare the return in the form he wished? A. The staff of my room came back, Mr. Mulvey came to the Bureau and personally made the corrections in that return from accounts placed before him by myself.

Q. So far as you were concerned in the matter did you refuse to obey his instructions? A. No. sir.

Q. Or make yourself unpleasant in any way whatever? A. I did not.

By Mr. Lake:

Q. Is Mr Mulvey in charge of the Printing Bureau? A. He has nothing to do with it in any way.

Q. He holds no official position in regard to the Printing Bureau? A. Mr. Mulvey is the Under Secretary of State. The King's Printer is also a deputy minister, equal in standing, and in full charge of the Bureau under the same minister.

Q. Do you know whether the Under Secretary of State has any special duty to perform in connection with the preparation of returns for parliament from all the ministers? A. It is his duty to collect these various returns and to send them to parliament.

Q. To see that they are in the form that they have been asked for? A. I would not care to answer that, I would rather think it was his duty to forward the returns as supplied by the various departments.

By the Chairman:

Q. Some questions were asked Mr. Mulvey in your presence concerning work done by the firm of W. G. Rochester & Co.? A. Yes sir.

Q. That is a company in Ottawa? A. A lithographing company in Ottawa.

Q. What class of work do they do? A. General lithographing.

Q. And they did some work for the Printing Bureau, passed out by you from time to time? A. They did.

Q. Was there in the department what was known as a patronage list? A. There was.

Q. Supplied under the administration in power in 1910? A. Certain letters initialed by the minister were forwarded by us to be placed on the file.

Q. As firms to which patronage was to be given from time to time? A. Exactly.

Q. Would the Rochester Co. be one of these firms? A. It was.

Q. Have you any private interest in the Rochester Co.? A. None whatever.

Q. Were you receiving pay from the Rochester Co.? A. Not one dollar directly, indirectly or in any other way.

Q. Were the members of that Company particular friends of yours? A. The manager I became acquainted with in the course of our business communications only.

Q. I wish to ask you a comprehensive question. Had you any personal reason whatever, outside of the proper discharge of your duties as you understood them for giving work to the Rochester Co.? A. None whatever.

Q. On November 20, 1908, Mr. Murphy addressed a letter to the Acting King's Printer, in which he said:

"Representations were made to me on behalf of the Rochester Lithographing Company to the effect that while the firm was promised about one-third of the lithographing work which the government requires to have done, it has not received this portion or anything like a fair share of the work in question. Please let me know what the facts are regarding this line of work, and what firms have executed it, say during the last two years, and in what proportion the work has been allotted." You remember that letter? A. That letter was addressed to the acting King's Printer. It was not handed to me, it was simply read to me over the counter at our office door.

Q. By the acting King's Printer? A. Who retained it.

Q. You have no copy of it in your possession? A. I have not.

Q. Did the acting King's Printer add anything to the matter by way of direction or explanation? A. Not to my recollection.

Q. Were you aware that that firm was promised about one-third of the lithographic work? A. No sir, I was not aware of that.

Q. Did you hear, either before or after, that there had been such a promise? A. I heard from Mr. Rochester himself that they had been promised a certain amount of work.

Q. Did he say by whom? A. Mr. Low, the member of parliament, and Mr. M. J. O'Brien, I think he said visited the minister and some promise was made to them. Mr. Rochester's brother I think was with them when they visited the minister.

Q. What minister would that be? A. Hon. Chas. Murphy.

Q. Hon. Charles Murphy himself. Up to the date when the acting King's Printer read this letter to you, had that firm, The Rochester Lithographing Company, received a quantity of lithographing work? A. Its ordinary small share.

Q. It had received some? A. A small share.

Q. Afterward did it receive a larger share? A. A little larger.

Q. Was there any special reason why they should receive more? A. I was under the impression it was the minister's wish and consequently gave them what new work came in.

Q. How did you obtain that impression? A. It was my recollection of the reading of the letter.

Q. You say that you consequently gave them a share of the new work that came in? What do you mean by that term "new work?" A. In the lithographing business,

cheques, are for instance, engraved with the first order. Future orders, as a consequence, go to the office holding the engraving. Under the existing circumstances, at the Bureau I could not send to the Rochester Company any of the repeat orders unless I incurred the expense of re-engraving cheques already on stone. In trying to carry out the wishes of the minister as I understood him I sent this new work to that firm for execution.

Q. In Mr. Mulvey's evidence on July, 1910, referring to the Armstrong return for parliament which was being prepared, Mr. Mulvey's says that you told him that you had instructions that all new work was to be given to the Rochester firm. Did you tell him that? A. I told him that I was sending the new work to the Rochester firm with the idea that that firm was not getting as much work as the minister would wish, and I gave him that explanation as to why more had not been sent.

Q. As to why it had not been sent to the Rochester Co.? A. Exactly.

Q. How did that question arise? A. I had visited the Under Secretary of State.

Q. Mr. Mulvey? A. Mr. Mulvey in connection with, I am not sure whether it was the Armstrong return or not. The question of the handling of that class of work in the Bureau came up and I made that explanation to him. I later visited him with the complete file from the Bureau, showing all the cheques that were already engraved on stone, and which could not, without incurring expense for re-engraving be sent to that firm.

Q. The point I want to get at is this. You say that you explained to him why more had not been sent to that firm. Did he ask you for an explanation why more had not been sent? A. He was questioning me as to how the work was handled in the Bureau and reading that letter.

Q. Of Mr. Murphy's? A. Of Mr. Murphy's. I naturally gave expression to that statement, gave that as the reason.

Q. Gave the letter as the reason why? A. Why the new work had not been sent to Rochester.

Q. But you were still not directly answering that question. Mr. Mulvey uses the words "all new work," as though you had told him that all new work was exclusively to go to the Rochester firm? A. Not of necessity.

Q. Did you use any expression to Mr. Mulvey which was intended to convey the idea that Mr. Murphy had directed you to give the new work exclusively to the Rochester firm? A. I have so expressed my belief to him.

Q. Your belief is what? A. That the new work was to be sent to the Rochester firm.

Q. All new work was to be sent to the Rochester firm? A. All new work such as they could handle. They never touched map work.

Q. But you conveyed to Mr. Mulvey your belief that all new work which the Rochester Co. could handle should be sent to that Company by the desire of Mr. Murphy? A. I did.

Q. In so expressing yourself you were relying on the letter from Mr. Murphy to the acting King's Printer, which you had not seen but had heard read? A. I was.

Q. And to the best of your knowledge and belief did you correctly represent your impression of that letter to Mr. Mulvey? A. I repeated to Mr. Mulvey exactly my recollection of it.

Q. From the minister's questions and Mr. Mulvey's answers I gather that the minister was under the impression that you had intentionally misrepresented him to Mr. Mulvey as ordering work to go exclusively to one firm. In the words you used or in the manner of your use of those words, did you attempt to create the feeling in Mr. Mulvey's mind that Mr. Murphy had a personal object in confining the work to the Rochester Company? A. No. I offered that explanation as a reason for not sending more work to the firm, believing that the minister desired it to be done.

Q. Then you were trying to exculpate yourself from an implied fault rather than to impugn the motives of the minister in any way? A. I certainly was doing so.

Q. You were afraid, in other words, that complaint might be found with you that you were not sending enough to that firm? A. That is the fact exactly.

Q. And you were trying to explain that only new work could be sent to them without great loss? A. That is the point.

By Mr. Lake:

Q. You were summoned to Mr. Mulvey in connection with a return which had been asked for by parliament and which it was his duty to present to parliament? A. I was.

Q. And during your communications with him in regard to that return the conversation branched off and you happened to speak of the work which was being given to the Rochester Lithographing Co.? A. That was it exactly.

Q. You were not summoned to him especially in connection with the Rochester Company? A. No.

By the Chairman:

Q. There was some question in the inquiry before Mr. Murphy concerning pamphlets printed by the *Gananoque Reporter*? Do you remember the matter? A. I do.

Q. To briefly come to the point, the *Gananoque Reporter* was given an order to print 100,000 pamphlets? A. They were.

Q. Mr Parmelee was King's Printer at that time? A. He was.

Q. Did he know that the *Gananoque Reporter* was to do the work? A. He did.

Q. Did you consult him about giving the work to that paper? A. I did.

Q. It was work which was to be done outside by somebody? A. It was.

Q. And was similar work done outside by other people? A. Yes, sir.

Q. Who, for instance? A. The *Brantford Expositor* was one, the *Smith's Falls Record,* I think is the name of the paper and several others west of Toronto.

Q. How did the prices given to the *Reporter* compare with the prices paid to others? A. They were on the same basis exactly.

Q. The complaint against you which seems to be implied by the questions of Mr. Murphy on that inquiry comes down to this, that the printing of these pamphlets for which the *Reporter* was paid, was in fact, done by the *Ottawa Free Press*?. A. It was.

Q. And that the *Ottawa Free Press* did the work for $200 less than the *Reporter* was paid by the department? A. That is so.

Q. As a fact when the payment came to be actually made for the work you knew that the *Free Press* had done the work? A. I did.

Q. And you knew that the *Free Press* was receiving a smaller amount that the *Reporter* was being paid? A. I did.

Q. Was the price paid to the *Reporter* an excessive price? A. It was not, it was a 48 page booklet at a cost of 1 1-10c. a book, that cost to cover boxing for shipment to the old country, and delivery at the department here free of all charge.

Q. Did you have any reason whatever at the time you gave the job to the *Reporter* to suspect even that the *Reporter* was not going to do the work on its own press and in its own office? A. None whatever.

Q. You had been at the office and had inspected the machinery, &c., of the office? A. I had.

Q. And were satisfied that it was quite competent to do the work? A. It was.

Q. Was it, in fact, quite able to do the work? A. It certainly was.

Q. Did you then or at any time suspect that the work would be farmed out as it is called? A. No.

Q. Then when did you first hear that the *Free Press* was going to do the work? A. When the manager of the *Free Press* 'phoned me as to what he would do with the proofs.

Q. The manager of the *Free Press*?. A. Yes, sir.

Q. At that time had the order been given for some time to the *Reporter*? A. Ten days or two weeks.

Q. Had the copy been supplied? A. Supplied to the proprietor of the *Reporter*.

Q. Sent to him by mail? A. No, he visited the Bureau.

Q. Did he mention to you then that he was not going to do it in his own office? A. No, he did not.

Q. When the *Free Press* told you they had it, what did you do? A. I told the manager to send the proofs on to the Bureau, that they would have to be transmitted by us to the Department of the Interior.

Q. To the Department of the Interior, for which the work was being done? A. For which department the work was being done.

Q. You told the manager of the *Free Press* that? A. I told the manager of the *Free Press* that. He sent it to me, and in that way I was aware that they were doing the work.

By the Chairman:

Q. What do you mean precisely by that? A. Mr. Barker intimated to me that he was doing the work.

Q. The manager of the *Free Press*? A. Yes.

Q. Had you had any previous conversations about that time with Mr. Barker concerning work of any kind? A. Mr. Barker visited the Bureau the morning the King's Printer gave me the final instructions to send that order to the *Gananoque Reporter*. He was looking for press work and complained that his press room had been standing idle for a week or two. I explained that we had no work to give him, but I told him I was sending out an order to the *Gananoque Reporter* which, had he been sooner on the scene, might possibly have been turned in his direction. He asked to see it. I showed it to him. He asked what we were paying for it and I told him. He said, the *Free Press* was willing to undertake the work at cost price, owing to the condition of affairs in their establishment, that their press men were walking around idle and they were afraid to suspend them for fear their rival concern, The Mortimer Co. would employ them. He gave me a figure as to what he would be willing to do the work for.

Q. Was that figure more or less than the *Reporter*? A. Less. The *Reporter* had already been notified that the job was theirs.

Q. Less by how much? A. About $200.

Q. The same price apparently at which he really did the work for the *Reporter*? A. Yes.

Q. The *Free Press* newspaper was at that time supporting Mr. Murphy and his government? A. Strongly.

Q. At the time this conversation actually took place with you did you know that the *Free Press* required the work very much? A. I know that Mr. Barker was in the habit of coming to the Bureau if things got abnormally slack in their establishment.

Q. Did you know that at that time the *Free Press* had a staff that had no work to do? A. No, sir, I did not.

Q. Did you have any reason to suppose that it might do work very cheaply if you went to it? A. I had no knowledge or reason to think that such was the case.

Q. Had the *Free Press* ever done work for the Bureau through you? A. They had.

Q. Had they ever, so far as their prices were concerned, been singularly cheap? A. No sir. They never made an offer like that before.

Q. When giving the order to the *Reporter* had you any suspicion even that you might get that work done by the *Free Press* or somebody else at a lower rate than you were paying the *Reporter*? A. No, sir.

Q. Then you were in this position when Mr. Barker spoke to you about his desire for some work under special conditions, that the order had actually gone to the *Reporter*? A. Yes.

Q. Did you intentionally intimate to Mr. Barker or think at the time that he might go and sub-let this work from the *Reporter*? A. No, sir, I did not.

Q. You were not trying to give him a hint to go to the *Reporter* and get the job were you? A. No. I had trouble with Mr. Britton, the proprietor of the *Reporter* in arriving at a fair amount for the execution of the work. Mr. Britton first asked in the neighbourhood of $2,000 for the work, and could hardly understand where he could make a profit at the amount I allowed, $1,160.

By Mr. Lake:

Q. What did you base that amount upon? A. I struck an average between a 32 page pamphlet and a 64 page pamphlet, sent out from the Bureau to other firms. I split the difference between these two prices.

Q. Prices charged by other firms for printing similar pamphlets, only of different sizes? A. Exactly.

By the Chairman:

Q. What was the total amount of the contract with the *Reporter*? A. $1,160.

By Mr. Lake:

Q. What is the usual procedure in such cases? I would suggest that the Department of the Interior requires a certain number of pamphlets, for which they submit a sample to the King's Printer. The King's Printer, then, I presume, calls for you or some other official. You might go on from there? A. The King's Printer calls for me, gives me the requisition and the copy, and intimates the offices which the orders are to be sent to. Usually, from his conversation, I understood that the minister had previously given him the names of these offices.

Q. For this particular kind of work? A. For this particular kind of work, immigration pamphlets.

Q. In this particular case he would probably instruct you to give it to the *Gananoque Reporter*? A. No, in this case we had one pamphlet for which we had received no instructions. I asked the King's Printer in this case for permission to send it to the *Gananoque Reporter*. I served a portion of my apprenticeship in that office and asked him to allow it to be sent there. He consented.

Q. You went then and saw the *Reporter*? A. Mr. Parmelee questioned the ability of the *Reporter* office to execute the work. I told him that I was going to Toronto that night, I would stop off and examine the plant, taking the next train to Toronto, which I did. They had facilities for the satisfactory execution of the work and I so reported to him on my return to Ottawa when he gave instructions to send them the order.

By the Chairman:

Q. Mr. Parmelee is a practical printer, is he not? A. Yes.

Q. He was before he entered the office? A. He was.

Q. Did you report when you came from the *Reporter* office the figures at which it had been agreed the work should be done? A. I did.

Q. And all surrounding circumstances as far as you knew them? A. Completely.

Q. And he authorized you to close a contract with them? A. He did.

By Mr. Lake:

Q. It seems to me that you were employed on very responsible work considering your official position and the pay you were receiving. Can you inform us why this class of work was given to you? A. This class of work naturally belongs to the ac-

countant's branch, but owing to the fact that the accountant is not a practical printer it was transferred to a separate room from the accountant's branch and placed under my supervision.

By the Chairman:

Q. Who is the accountant? A. Mr. Frigon.

Q. How long has he been in that position? A. About three years.

Q. Was he the accountant at the time you were placed in charge of this branch? A. No, his predecessor, Mr. Barrette, was then accountant.

Q. Was he not a practical printer? A. He was not a practical printer either.

Q. Then you say that neither the former nor the present accountant was a practical printer? A. That is the fact.

Q. And you have been in the accountant's office? A. I had.

Q. You were a clerk in that office? A. From 1892.

Q. And before Mr. Dawson put you in charge of this branch separately you had something to do with the same kind of work? A. I had looked after the auditing of the printing, not the lithographing accounts.

By Mr. Lake:

Q. You looked after that under the direction of the then accountant. Was the then accountant a practical printer? A. Mr. Gliddon, the late accountant was a practical printer. The Act respecting the Department of Public Printing and Stationery, R.S.C., Chap. 80, section 12, provides:

> "No person shall be appointed accountant unless he has a competent knowledge of bookkeeping and accounts and has had at least five years' experience in the measuring and auditing of printing and binding work, either in a printing or publishing establishment, or in the service of the Parliament or Government of Canada."

Q. You say that neither the late nor the present accountant has had any such experience? A. I do.

By Mr. Lake:

Q. Do you know whether they were appointed by Order in Council? A. They were both appointed by Order in Council.

Q. Have you seen the Order in Council appointing them? A. I have not, but no names appear on the Civil Service list except of officials appointed by Order in Council.

Q. At the time you were placed in charge of this branch of the work, did the then King's Printer tell you that he desired you to take charge of this branch of the work because the accountant at the time had not had sufficient experience with it? A. He did not express it in exactly those words.

Q. Did he give you any reason for asking you to take charge? A. Yes, the growth of the work was one reason for the change. The work had increased from $25,000 or $30,000 a year to $350,000. That was one reason why new quarters had to be found, and in finding new quarters they combined the auditing and the ordering.

Q. The department, you say, was established in 1889? A. It was.

Q. Is it still running under its original organization? A. It was when I left the department, the present conditions I cannot speak of.

Q. Had there been any reorganizations carried out by departmental officers while you were in the Bureau? A. No.

Q. Or by any persons appointed outside to reorganize the two offices? A. No, sir.

Q. Had there been any changes in the Act in regard to the distribution of duties of the different officers during that time? A. No, sir, not to my knowledge.

Q. I understand you to say that this branch of the business had increased from $30,000 a year to upwards of— A. The $30,000 is for the outside work, not for work executed in the Bureau. The outside work had grown from $30,000 to $350,000 per annum.

By the Chairman:

Q. The Department of Agriculture published a work called *Farm Weeds*? A. Yes, sir.

Q. In what year? A. The first edition would be published about six or seven years ago at least. The last edition would be in 1908.

Q. The work was done by what firm? A. The lithographing was done by the Toronto Lithographing Co..

Q. The printing? A. The printing and binding by The Mortimer Co. in Ottawa.

Q. The copy for that work was prepared by the Department of Agriculture, I presume? A. It was.

Q. And in the regular course it goes to the Printing Bureau either to be done at the Bureau itself or where work cannot be done there to be let out by you? A. Yes, sir.

Q. And with regard to this issue are you aware of any order or arrangement that the lithographing was to be done outside the Bureau but the printing and binding were to be done inside? A. When the lithographing was first put out it was the expectation that the printing and binding would be executed in the Bureau.

Q. Why was that not done? A. Owing to pressure of work in the Bureau.

Q. Who put it outside to be done? A. The King's Printer.

Q. Directly? A. Through myself.

Q. Through yourself, the King's Printer that year being? A. Mr. Parmelee. I may explain that the plates did not reach the Bureau until 1909, that work takes a considerable time. The lithographed plates were finished ready for the printing and binding in 1909.

Q. Then of course nothing could be done in the way of printing and binding until after you had received the plates. A. No, sir.

Q. When you received those plates was it by Mr. Parmelee's direction that they were given to the Mortimer Co.? A. Yes, sir.

Q. Was that done by tender or by simple contract without tender? A. Simple contract without tender.

Q. Then in such a work as that should the imprint of the King's Printer be on it? A. Well, it has been the custom to place the imprint on all government publications.

Q. And why was it omitted in this case? A. I was not aware that it was omitted until my attention was drawn to it by, I think, the Hon. Charles Murphy.

Q. You had no interest in the Mortimer Company? A. None whatever.

Q. Were they on the patronage list of the late government? A. They were.

Q. By Mr. Murphy's direction? A. Long before Mr. Murphy came there. I may say that the Mortimer Company have been doing government work for 30 years.

Q. In a speech in the House of Commons on April 25, 1911, Mr. Murphy referring to the printing and binding being done by the Mortimer Co., says:

"I discovered that this change in the arrangement had been made by Mr. Cook without my knowledge and approval, and as I believe without the knowledge and approval of the King's Printer at the time the book was presented to me." Is it true, as stated there, that the King's Printer did not know or approve of the contract being given to the Mortimer Co.? A. The King's Printer certainly knew about it and discussed the matter with Mr. William Mortimer, of the Mortimer Co.

Q. At the beginning of 1910, the Department of Agriculture desired to have a book issued, called *Farm Grasses*? A. Yes, sir.

Q. And as a matter of fact the lithographing for that work was done by the Toronto Lithographing Company? A. No sir, that is the work the Hon. Charles Murphy stopped.

Q. And it was not later done by that Company? A. Not to my knowledge. I do not know who executed the work, but I stopped it in the hands of the Toronto Lithographing Company.

Q. And it was over that work that a dispute arose and an inquiry took place? A. Yes, sir.

Q. In his speech dated April 25, 1911, Mr. Murphy said: "I insisted that tenders be asked for." You notice that he does not say there to whom he insisted, but it is open to the implication that it was to you? Was it with you that Mr. Murphy had the conversation at the beginning of that work when he spoke of tenders? A. No, sir.

Q. You know from the evidence given by Mr. Parmelee and the question of the minister, that the discussion he refers to took place with Mr. Parmelee, the King's Printer, did it not? A. Yes, sir.

Q. At page 271 of the Inquiry into the Affairs of the Department of Public Printing and Stationery, Mr. Murphy asks Mr. Parmelee concerning an interview between Mr. Murphy, the Hon. Mr. Fisher and Mr. Parmelee, at which interview Mr. Murphy suggested that prices should be obtained from English and American firms. You take it that that is the occasion to which Mr. Murphy refers when he says he insisted on tenders being asked for? A. It must have been.

Q. Did he insist to you that tenders should be asked for? A. I never saw or spoke to the minister concerning that order until I went up to the King's Printer to report.

Q. About February 28, 1910, you went to Toronto to see about this work of lithographing *Farm Grasses*? A. Yes, sir.

Q. By whose direction did you go to Toronto? A. By direction of the King's Printer.

Q. For the special purpose of finding out about this work? A. Yes, sir.

Q. Did you take the plates with you? A. The copy for all the plates was given to me by the King's Printer.

Q. He gave them to you and you went to Toronto? A. Yes.

Q. What were you told by the King's Printer to do when you went there? A. To get prices from the Toronto Lithographing Company, and from the Copp, Clark Co., but that the work had to be given to the Toronto Lithographing Co. absolutely and positively. The reason he gave was that the previous edition had brought many letters of commendation to the Minister of Agriculture, and he was anxious that this book should be the equal if not the superior of the previous one, and our experience had shown that the Toronto Lithographing Company was the only concern that we knew of competent to give us those results. Consequently the King's Printer gave me definite instructions. It was a matter of conversation on more than one occasion. I may explain here that the requisition for *Farm Grasses* came down to the King's Printer and was by him sent to the minister and held by the minister for six weeks or more before it came back to the King's Printer, who then gave me these instructions.

Q. You mean then that the delay in the hands of the minister made the time short for getting the work out? A. It did.

Q. Was there any special object in getting it out early? A. Mr. Clark, the seed commissioner in the Department of Agriculture, had especially requested us to save as much of his appropriation as possible.

Q. His appropriation for the financial year of 1909-10? A. Which would lapse on the 31st day of March, following.

Q. And he was anxious to get the work done as far as possible in order that the appropriation for that year could be used for the work? A. Exactly.

Q. Then you say that the delay on the part of the minister had made it necessary that you should act promptly when the copy came back? A. It did.

Q. You have told me you went to Toronto with instructions to get prices. Now what did you do at Toronto? A. I submitted the drawings to the Toronto Lithographing Company. I first secured an offer from that Company. I then submitted the drawings to the Copp, Clark Co., and in mentioning the Copp, Clark Co. I refer to Mr. Cameron and Mr. Young. They intimated that they were in no better position to execute that work than they had been to execute a previous order of a similar character upon which they had failed. I also brought up the subject of paper and told them the necessity of having it delivered in time to save the appropriation. They declined to tender.

Q. The Copp, Clark Co.? A. Yes.

Q. And later they wrote a letter dated March 2, 1910, and addressed to the Assistant King's Printer, in which they say: "That on account of not having in stock the special paper asked for by Mr. Cook, and not being able to get it in time, we are reluctantly compelled to relinquish any thought of doing this work for you in the stipulated time"? A. That was the fact, also the fact that they did not care to place on record their inability to execute the work.

Q. What arrangement did you make with the Toronto Lithographing Company, I do not mean what figures, but what arrangement did you make at that time? A. I went back to the Toronto Lithographing Co. after having interviewed the Copp, Clark Co., placed the drawings in their hands and instructed them to cable for the paper which they led me to believe was procured from the old country. I gave them verbal instructions to proceed with the work as expeditiously as possible, subject to similar conditions exactly as for the previous similar work, that was the drawing up of a contract and the signing of the same by the minister and their company.

Q. Would the payment for the paper be separate from the payment for the lithographing? A. It would.

Q. It would be the subject of a separate contract? A. It was embodied in the same order.

Q. But it would be the subject. A. It was to be paid for at a rate per pound.

Q. To be paid over by the department to them? A. Yes.

Q. And no matter who did the printing, the department would have to provide and pay for the paper, would it not? A. It would.

Q. A special kind of paper? A. Special paper.

Q. Had you ever bought the same kind of paper? A. From that company?

Q. Yes? A. Repeatedly.

Q. From any other company? A. No, sir.

Q. At any time? A. No, sir.

Q. Have you any means of comparing the prices for the paper with any other companies' prices? A. On my return to Ottawa I submitted the quotation received from the Toronto Lithographing Company, which was $1,100 less than the offer on similar work executed the previous year. The King's Printer sent me with a sample sheet of paper to the superintendent of stationery, Mr. Gouldthrite. In Mr. Gouldthrite's office were Mr. O'Connor, the confidential clerk of the Hon. Charles Murphy, and a Mr. Reid, of the Howard Smith Paper Co., Montreal. Mr. Gouldthrite handed the sheet of paper over to the expert, Mr. Reid, and asked him to pass his judgment upon the paper and to tell him what it would be worth per pound. Mr. Reid examined it and explained that owing to it being roughed, one of the processes in the lithographing, he was not able to give a definite figure, but he would judge somewhere about 12c. a pound. I had arranged to purchase it at 9½c. a pound, and I went back to the King's Printer and reported the conversation which had taken place in the stationery office in the presence of these three gentlemen.

Q. Later on did you get certain American firms to give you a price on paper? A. They explained that they would have to submit the samples to the mill and

were not in a position to quote unless I gave them time to send the samples to the manufacturers.

Q. But later still I find in the report that they did give some prices for paper? A. Not the American firms, at least not to me. The only American company that quoted was the Hayes Lithographing Company, of Buffalo, which asked 10c. The same price was asked by the Howard Lithographing Co., Montreal.

Q. Did you get a price from the Mortimer Co.? A. I think we did.

Q. How was the price for lithographing arranged, so much a plate? A. So much a plate. For a certain number of copies of each plate, a rate of 15,000 copies for $140, and after that a rate of $5 per thousand for press work, sheets of nine plates, $5 a thousand for each colour for the printing of sheets of nine plates each.

Q. You say the price you got from the Toronto Lithographing Co. for *Farm Grasses* was considerably cheaper than the previous order for *Farm Weeds*? A. Yes, sir.

Q. And later on still you did get some prices quoted verbally, by some Buffalo and New York lithographing firms for the plates? A. Yes.

Q. In these cases quoted by the two Buffalo firms and two New York firms, were the prices higher or lower than those of the Toronto Lithographing Company? A. Considerably higher.

Q. You also got an offer from the Mortimer Co., of Ottawa? A. Yes, sir.

Q. Was that higher or lower? A. Higher.

Q. So, as a matter of fact from all the inquiries you made later on, even, the Toronto Lithographing Company's figures both for paper and for work were cheaper than any other? A. They were.

By Mr. Lake:

Q. Were all these offers in writing? A. Yes, sir.

Q. Are they all on record in the department? A. They are.

Q. I notice in Mr. Murphy's speech in the House in his question to you on the Inquiry, and in your replies, some distinction that is running in your mind between giving an order for the work and getting a contract. When you say in the evidence before the Inquiry that you did not give a contract to the Toronto Lithographing Co. you mean that the original contract was not drawn up and signed at that time? A. No contract, nothing but verbal instructions.

Q. There was nothing at the time but verbal instructions? A. No, sir.

Q. Later on, so far as you know, was a written contract concerning this work entered into with that company? A. I do not know.

Q. But you did get verbal instructions at that time in February for them to commence the work? A. Yes, sir.

Q. Apparently that exceeded your authority. At the time you went up there, you were told, you said, to get prices? A. Yes, sir.

Q. What explanation have you to offer for that? A. My instructions were to place the work with those people.

Q. You mean your instructions from Mr. Parmelee? A. From Mr. Parmelee.

Q. There is no manner of doubt in your mind that you were clearly and positively instructed by Mr. Parmelee to give them the work? A. Not the slightest doubt in my mind whatever.

Q. When you returned from Toronto what explanation did you make to Mr. Parmelee? A. I told him exactly what I had done, and the offer made by the Toronto Lithographing Company, which I had received in writing.

Q. Did you, as a matter of fact, leave the copy with them? A. Yes, I did.

Q. Did you tell him that you had left the copy with them? A. I did.

Q. Do you remember now distinctly telling him that fact? A. I do.

Q. He did not ask you for the copy back again at that time? A. He did not.

Q. In Mr. Parmelee's evidence at the Inquiry, in July, I find at page 272 that he says:

"Q. * * * * The contract for the work had actually been given to the Toronto Lithographing Company, is that correct? A. Not to my knowledge. Mr. Cook did not lead me to believe anything of the kind. I think he said that a contract could be made on such and such a basis, but there was certainly no contract made with my authority, or as far as I know with yours."

In view of that I want to ask you some questions. No written contract had been entered into? A. No, sir.

Q. But you had given the Toronto Lithographing Co. an order to proceed with the work? A. Verbally.

Q. Verbally, yes. That was the contract to do the work was it not? A. It might be so construed, although the official contract was to be drawn up and signed after the arrangement had been submitted for the minister's approval.

Q. With whom was that stipulated? A. Mr. Frank Stone, of the Toronto Lithographing Co.

Q. And you had agreed that a formal contract would be drawn up, submitted to the minister for his approval and then signed, but in the meantime, the delay for that was not to prevent the work from going on? A. The work was to go ahead with all possible expedition.

Q. And your order to them to go ahead with the work implied that the department would pay the money? A. Exactly.

Q. Referring to Mr. Parmelee's statement you did tell him, I presume, that a contract could be made on the basis you named? A. I did.

Q. And no contract, in your meaning of a written evidence of the contract was made at that time? A. No sir.

Q. But did you clearly tell him that you had ordered the work to be done, and that a formal contract was to be submitted to be signed by the minister? A. I certainly did.

Q. At page 272 of the Inquiry Report I find Mr. Parmelee being asked this question:

"Q. Is it not a fact that prior to obtaining prices from a few Canadian firms, and from firms in Buffalo and New York, the Toronto Lithographing Co. had been told that they had the work and were given instructions to order paper required for the work, and they actually did order the paper? A. (Mr. Parmelee) Not to my knowledge. I have no knowledge to that effect except what Mr. Cook told me afterwards."

Q. You have already said that you told Mr. Parmelee immediately upon returning from Toronto at the end of February or the 1st of March? A. I did.

Q. Did you tell him that the Toronto Lithographing Company were to order the paper? A. I did.

Q. And that it had been ordered, as a matter of fact? A. That it had been ordered, and would be delivered in time to save the appropriation.

Q. Was it then that you showed the sample of paper to him and these other persons? A. It was.

Q. And you explained that the order was to be sent at once so that the appropriation could be saved from lapsing at the end of March? A. Yes.

By Mr. Lake:

Q. Was this all verbal? You put none of it down in writing? A. Verbal.

By the Chairman:

Q. Nobody was present when you reported to Mr. Parmelee? A. Nobody.

By Mr. Lake:

Q. Were you in the habit of giving verbal reports when employed on these things? A. I was.

Q. And not putting them in writing at the same time? A. Not of putting them in writing.

By the Chairman:

Q. Mr. Clark, the seed commissioner, you say made the representation to you about the danger of the vote lapsing? A. He did.

Q. He is still in the Department of Agriculture? A. He is.

Q. And can be got to give evidence on this point. At the time you came back from Toronto there was only just time enough to get that paper from England if the vote was not to lapse? A. That was all the time that remained.

Q. And if you delayed after your explanations about the matter to Mr. Parmelee there would be no object at all in explaining would there? A. There would not.

Q. Explanations would be too late in the course of a week or ten days? A. It would have to be done at once.

Q. Mr. Parmelee says: "Some time afterwards Mr. Cook said to me that some paper had been ordered. I asked him if that committed us to the Stone Lithographing people. He said no." The "afterwards" seems to refer to your return from Toronto. Was your report to Mr. Parmelee immediately after or some time after that return? A. Immediately after.

Q. Did he ask you if that committed you to the Stone Lithographing Company? A. Such a question never was asked me.

Q. And did you ever say it did not? A. I never did.

By Mr. Lake:

Q. Could this company have started any work on this business until the paper was received? A. Oh yes, the preparation of the lithographic stone was in progress all this time.

By the Chairman:

Q. During the month of March, 1910, you wrote letters to the Toronto Lithographing Company. You also wrote one dated March 11 to the seed commissioner. These letters indicate that the work was then in hand by the Toronto Lithographing Company. Were copies of those letters as they were written placed upon the file in the office? A. Yes, sir.

Q. Did you have any discussion during that month of March with Mr. Parmelee about the work after coming back from Toronto? A. Yes, sir, every day for a week following my return and my report to him. I interviewed him in his own office to find when he was going to make a report to the minister. He did nothing all that week. The week ensuing I again broached the question to him and we went three afternoons to the House of Commons in an endeavour to get the Hon. Sydney Fisher and the Hon. Charles Murphy together in order to make the report concerning the *Farm Grasses* order. Not succeeding in getting them, the following Monday, that was the Monday of the third week after my return from Toronto, Mr. Parmelee said we would have to report to the Hon. Charles Murphy in his own office, which we did.

By Mr. Lake:

Q. By whom were the letters signed? A. Letters to the Toronto Lithographing Co. transmitting proofs were sent through our room. They would be signed by me.

By the Chairman:

Q. What did you desire to see the ministers for precisely. What was the object of Mr. Parmelee and yourself in going to see the ministers? A. I had no idea of why he wished to have the Hon. Sydney Fisher present.

Q. What did he explain was his reason why you and he should go and see Mr. Murphy? A. To have him sanction what had been done and to have the contract prepared and signed.

Q. Are you aware when a contract was prepared, if at all? A. The previous similar work had been covered by a contract prepared by Mr. Osborne, a lawyer selected by the Hon. Charles Murphy. He came to my office and I gave him the necessary information. The contract was submitted to the minister and sealed and completed in the minister's own office.

Q. Then in this case, you would naturally presume that Mr. Murphy after hearing Mr. Parmelee and you, would give some directions for the preparation of a contract if he approved of what had been done? A. That was my expectation.

Q. That was your object in going? When did you and Mr. Parmelee succeed in finding Mr. Murphy, and where? A. In his own office, more than two weeks after my return from Toronto.

Q. Did you go there voluntarily by arrangement between you and the King's Printer? A. We went by arrangement with the King's Printer.

Q. Between you and the King's Printer? A. Exactly.

Q. What took place? A. I reported to Mr. Murphy what I had done in Toronto. So soon as I informed him of the action I had taken he flew into a rage and turning to the King's Printer said that he had not ordered this work to be given to the Toronto Lithographing Company. In explanation I said I had followed the instructions given me by the King's Printer. Mr. Parmelee shrugged his shoulders and said he did not think I would go quite so far. Mr. Murphy said to the King's Printer: "You have not followed out the arrangement made in Mr. Fisher's and my presence."

Q. He said to Mr. Parmelee? A. Yes.

Q. Did that seem to be the cause of his anger at the time? Was he very angry at the time? A. He was.

Q He spoke in an angry way? A. He did.

Q. And what did you gather from his manner and his words was the cause of his anger, or did you gather any cause at the time? A. I gathered that he had given the King's Printer instructions which had not been followed out.

Q. Did he say at that time what instructions he had given? A. He did. He said that he had instructed him to get prices from both American and English firms.

Q. And what reply did Mr. Parmelee make? A. He did not make any verbal reply. I explained that that was the first intimation I had had of that fact.

Q. And Mr. Parmelee you say, said nothing on that point? A. Nothing on that point that I recollect.

By Mr. Lake:

Q. Were you in the habit of asking English and American firms for prices? A. No, sir.

Q. It had never been done before to your knowledge? A. We on one or two occasions had got prices for small orders of work from Rand, McNally & Co., of Chicago.

Q. But never in England? A. Never in England for a great many years. Dr. Dawson a few years after he came in got a few prices from England for copper map engraving, but it had not been the practice.

By the Chairman:

Q. In your previous evidence about this matter at page 277 of the Inquiry, you say that Mr. Parmelee acknowledged to you that he had not told you the circumstances of his conversation with the Hon. Mr. Fisher and Hon. Mr. Murphy. You were asked:

"Q. When did Mr. Parmelee make that acknowledgment?" And you answered: "After we left the minister, and were walking through the park on our return to the Bureau." Then you were asked:

"Q. You had some conversation as to what had taken place inside? A. Exactly."

Q. Did Mr. Parmelee then repudiate your conduct at Toronto? A. Not at all. He confined himself as to how we were going to get out of the difficulty we were in, as to what firms we could go to for prices, as the minister had ordered him to do.

Q. Did Mr. Parmelee before the minister on that occasion say that you had gone too far? A. He did.

Q. Was there any conversation about that after you came out between you two? A. I certainly broached the subject to him and insisted that I had simply followed my orders, and he did not reply.

Q. Did he deny that you had followed your orders then? A. No, he did not answer it.

Q. Did he make any explanation of his conduct in saying before the minister that he had not done so? A. Not at all, the question that was bothering us at the time was what firms we were to go to for prices. That was the question discussed most of the way from the minister's office to the Bureau.

Q. Did he exhibit any anger or annoyance with you for having said that he did give such orders A. Not the slightest.

Q. Did Mr. Parmelee ever afterwards reprimand you in any way for what you had done? A. He did not.

Q. Did he, either in word or manner, give you any form of explanation as to the dispute which had arisen between you and him in the minister's presence? A. No, he did not.

Q. Neither by way of excuse or of palliation? A. No.

Q. When the minister told Mr. Parmelee that his orders on the matter of tenders had been disobeyed, did Mr. Parmelee deny that he had received such orders? A. He did not.

Q. Or say why they had not been carried out? A. No, sir.

Q. You are aware that page 271 of the Inquiry, Mr. Parmelee says this to the minister in explanation of the interview between Mr. Murphy, Mr. Fisher and Mr. Parmelee: "I remember that some discussion took place in regard to getting prices from English and American firms. I pointed out that it would be impossible to go to England for prices on account of the distance and the length of time required. I remember that there were two or three interviews, I do not remember which you refer to." Did you hear Mr. Parmelee give his evidence before the Inquiry? A. No, sir.

Q. In your evidence at page 277 you say to the minister: "I told you at the time (meaning when you and Mr. Parmelee were in the minister's office) that the paper had been ordered." Did you mean by that that you did not tell him at that time that the work was being done? A. I told him that the complete work was in the hands of the Toronto Lithographing Company.

Q. And that the paper had been ordered? A. And that the paper had been ordered.

Q. Your evidence does not mean that you told him only about the paper being ordered? A. Not at all. The paper and the lithographing were understood to be combined on the one order.

Q. But they would be paid for separately? A. Not necessarily.

Q. There was a separate price by quantity for each? A. Yes.

Q. Because the paper according to the arrangement made at that time would be printed on by somebody else, the Toronto Lithographing Company would not do the printing, would they? A. No.

Q. Except of the plates? A. The lithographing.

Q. As a matter of fact when the paper came along, ordered by the Toronto Lithographing Company where did it go to? A. The paper for the plates went to the Toronto Lithographing Co., the paper for the text came to the Bureau.

Q. All of which was according to order? A. According to order. The two orders for paper were combined, that is the plates and the text paper, in order that the colour throughout the book might be uniform.

Q. At the interview in the minister's office, you and Mr. Parmelee being present, the minister said it did not follow that the paper would be accepted and you had exceeded his instructions or had acted without his instructions? Is that the fact? A. It is.

Q. What did you do after leaving that office concerning the work in the Toronto Lithographing Company's office? A. I proceeded to Toronto on the instructions of the King's Printer who supplied the necessary funds for travelling expenses and took the copy from the Toronto Lithographing Company, stopping the work. They intimated that they had already received a letter from the Hon. Charles Murphy to the same effect.

Q. Why did you go personally to Toronto? A. In order to proceed from there to Buffalo and other American cities to secure prices in compliance with the Secretary of State's explicit order.

Q. To get prices? A. Yes.

Q. But you did not need to proceed to Toronto to get to Buffalo? A. I had to go to Toronto to secure the drawings to submit to the American firms. There was only one set of drawings and they had to be submitted to the firms for them to prepare an offer.

Q. Well then, was it Mr. Parmelee who told you to go to Buffalo and these places? A. It was.

Q. Did he simply tell you to go to Buffalo or New York or what did he tell you? A. He told me to go and get prices. He gave me an absolutely free hand to go where I saw fit, anywhere to get firms competent to execute the work who were prepared to give a price. Those were my instructions.

Q. He might have told you to go there without telling you to go to Toronto to get the plates? A. You could not secure prices for the work without securing the original drawings and submiting them to the new firms that you were asking for prices from.

Q. Did Mr. Parmelee at that time know that these drawings were at that time in Toronto? A. Certainly he did.

Q. Referring to the interview in his office, Mr. Murphy in his speech on April 25, 1911, at page 7733 of Hansard, says: "He said something on that occasion about paper having been ordered and as that excited my suspicion I made inquiry later on and heard at the Bureau that Mr. Cook had been in Toronto and that some arrangement had been made with the Toronto Lithographing Company but just exactly what, no person seemed to know." Now you notice that that statement by Mr. Murphy seems to imply that you had not told him that at the interview about the arrangement made with the Toronto Lithographing Co.? A. I certainly did.

Q. Then Mr. Murphy says: 'I then wrote to the Toronto Lithographing Company stating that I had heard in an indefinite way that an official had gone to their place of business and had made some arrangement with them regarding the paper." Did you know that Mr. Murphy wrote to the Company? A. The Toronto Lithographing Co. so informed me on my arrival there, the second day after our interview with Mr. Murphy.

Q. The second day after your interview with Mr. Murphy, the Toronto Lithographing Co. told you that they had heard from Mr. Murphy? A. They did, that day. When we left Mr. Murphy's office it was too late to secure an advance for the necessary travelling expenses, and consequently I could not leave for Toronto until I secured those funds from the Finance Department.

Q. And when you got to Toronto you found the letter to which Mr. Murphy refers was already there? A. It was.

By Mr. Lake:

Q. When did they receive it? A. They received it immediately after my arrival.

Q. Did you see the letter? A. No, I did not.

By the Chairman:

Q. When you stopped in your narrative you had got over the point where you had gone to the United States, had you not? A. Yes.

Q. At Toronto you took away the copy which you had given the Toronto Lithographing Company, and of course they would not be able to go on and do any work at that time without it? A. No, sir.

Q. At that time were any of the plates completed? A. Not nearly completed.

Q. Well, but did you tell the company that the minister had disapproved of what you had done? A. I did.

Q. And what did you say to them as to their future work? A. To stop work immediately and to give me the copy.

Q. And what did you say would, or might, happen later on? A. I made no arrangement with or statement to them. I simply told them that my action had been disapproved of by the minister and that he had ordered me to stop the work.

Q. Did they make any complaint to you or any demand upon you at that time? A. No.

Q. So they would have no claim for damages or anything of that sort? A. No. They of course expressed their opinion that the order belonged to them, and they expected at that time they would ultimately receive it.

Q. Well, up to that time you were dismised from the department, had that company received the work again? A. No, sir.

Q. Do you know whether it did ultimately get the work again? No, I do not. I made inquiry occasionally but I never could find what disposition had been made of the work.

Q. Do you know whether the company made any claim for damages on the department later on? A. No, I do not.

Q. At Buffalo you called on the Hayes Lithographing Company and the Matthews-Northrup Company? A. I did.

Q. And from each of these firms you received a written offer? A. No. From the Hayes Lithographing Company I received an offer both for the lithographing and the paper, but the Matthews-Northrup Company explained that they were not in a position to execute that kind of work.

Q. Then in New York you called on Trautman, Bailey & Blampney, and on Stahl & Jaeger, and each of them gave you a bid? A. They did.

Q. For both printing and paper? A. No, for lithographing only.

Q. From each of these New York firms you received a bid in writing? A. I did.

Q. At the time? A. At the time.

Q. You brought those bids home with you? A. I did.

Q. And did you place them all before the King's Printer? A. I did.

Q. When you returned? A. I did.

Q. Then you made out a typewritten sheet of these prices which had been given you? A. Yes, sir.

Q. In the form in which it is shown at page 337 of the Inquiry into the Affairs of the Printing Bureau? A. (After examining volume.) That is it.

Q. Entitled: "A summary of tenders received for printing an edition of *Farm Grass* plates." I find also in that summary, besides the firms mentioned, you have a bid from the Mortimer Company, Ottawa, both for the printing and for the paper? A. Yes, sir.

Q. Did you in April receive an offer from that company? A. I did.

Q. Were these several offers, as far as you know, bona fide quotations at which they were willing to undertake the work? A. They were.

Q. Or to buy the material, as the case maw be? A. They were.

Q. The minister in his speech on April 25, as reported at page 7733 of Hansard refers to these as "alleged tenders." Do you know any reason for not calling them tenders? A. I do not.

Q. Or to buy the material, as the case may be? A. They were.

Q. And they were in writing? A. They were.

By Mr. Lake:

Q. Do you know what was in the minister's mind? Have you any idea what he was thinking of, when he spoke of these alleged tenders? A. I have. The minister evidently had the idea that the whole lot of them were cooked tenders.

By the Chairman:

Q. Bogus tenders? A. Bogus tenders.

By Mr. Lake:

Q. Do you think he honestly believed that? A. He thought that the whole lot of them were simply produced to prove the Toronto Lith. a fair and reasonable price.

By the Chairman:

Q. You think he had in his mind the idea that you had gone out afterwards to obtain evidence to support the reasonable price you had obtained from the Toronto Lithographing Company? A. I believe he thought that.

Q. Is that true? A. It is not true.

Q. The minister in his speech just referred to says: "I demanded that I should be shown the invitation to tender and the replies"? A. He sent Mr. O'Connor to the King's Printer asking to be shown those invitations to tender.

Q. Yes, but in this speech he is speaking apparently of the time when you made your appearance in his office? A. I did not make my report to the minister at all. I made it to the King's Printer and never saw the minister in conjunction with the affair after my first interview.

Q. Before you had gone to New York at all? A. Before I had gone to New York at all.

Q. Then this statement here: "Some weeks later Mr. Cook again made his appearance in my office," is not correct? A. Never went near him.

Q. To whom did you give that statement of tenders? A. To the King's Printer.

Q. The minister in that speech goes on to say: "I then inquired how he had got his prices and he said he had gone round and got them verbally:" Did you ever make that statement to him? A. I never made it.

By Mr. Lake:

Q. Do you know the position Mr. O'Connor held. Did he belong to the Secretary of State's department? A. He did.

Q. Was he a clerk, do you know his standing? A. First Division B. Clerk.

Q. Employed in the private office of Mr. Murphy? A. I don't know where his office was; I never met him there.

Q. You have no idea what his actual work in the Secretary of State's office was? A. A sort of intermediary between the minister and the Bureau. The minister never visited the Bureau. Mr. O'Connor came for any information which the minister might require.

Q. Mr. O'Connor is not the minister's private secretary? A. No, he is not.

Q. And you do not know whether he is employed as assistant to his private secretary? A. No. Nothing further than that he came for all the information the minister required?

By the Chairman:

Q. Now, the minister in his speech on April 25, 1911, reported at page 7734 of the Hansard, says: "I found a number of the firms whose names appear on Cook's list had not only not submitted tenders, but had not been asked to tender." Is that true of any firm on that list? A. It is not.

Q. Now we come to what is known as the Mortimer incident. Mr. W. H. Mortimer gave evidence which begins at page 297, and in that evidence it appears that two letters were written by the King's Printer to the Mortimer Company, dated April 20, 1910, one asking for a price per pound for paper, and the other asking for a tender for the engraving and printing. Then there is a further letter dated June 10, 1910, to the Mortimer Company from Charles Murphy, dated August 16, 1910. From the last named letter it appears that the Mortimer Co. had, by letter dated April 22 last, given prices for an edition of *Farm Grasses*? A. Yes, sir.

Q. The two letters dated April 20 for the Mortimer Company, signed by Mr. Parmelee were written by you? A. They were.

Q. By whose directions? A. The King's Printer.

Q. And the reason for the writing of these letters of April 20, to the Mortimer Company is explained by Mr. Parmelee himself in his evidence at page 275 of the Report of the Inquiry into the affairs of the Department of Public Printing and Stationery? A. I do not just recollect what his evidence there is. (After examining evidence referred to). That is correct, yes.

Q. In that evidence Mr. Parmelee says to Mr. Murphy: "I took it that you wanted these people notified, so that they would have it on record, and if they wanted to know anything more they could communicate with us." By these people, he means the people that could give the prices? A. I believe so.

Q. Then Mr. Parmelee is asked: "Was that your own view or Mr. Cook's"? And he answers: "It was my own view"? A. I believe that.

Q. Is that statement true that the writing of these letters was the view of Mr. Parmelee? A. It is true.

Q. And they were the instructions of Mr. Parmelee to you? A. They were.

Q. At page 275 of the evidence referred to, the minister asks this question: "My instructions were to this effect substantially, that, as the original instructions given in Mr. Fisher's room had not been carried out, and as there was nothing on the file to show how the transaction began, I wanted a letter written to place on the face of the file showing what Mr. Cook had asked each tenderer from whom he had asked tenders. That was what my letter of June 9 asked for, and its terms certainly did not lend themselves to any such interpretation as was placed on them here. Was it not Mr. Cook who suggested the writing of these letters in June"? You heard that question asked of Mr. Parmelee, that I have just read to you? A. No, I was not present.

Q. Were you not present during Mr. Parmelee's examination? A. I was not.

Q. At no part of this examination of Mr. Parmelee? A. At no part of Mr. Parmelee's examination.

Q. You had no opportunity of questioning Mr. Parmelee? A. I did not know until the report was published what he had said.

Q. And you had no opportunity of combating Mr. Parmelee's testimony? A. No chance whatever.

Q. But Mr. Parmelee was allowed to be present during the whole of your evidence? A. He was.

Q. Then Mr. Parmelee, at page 275, is reported to have given this answer: "I cannot say as to that. Mr. O'Connor was here and what I wanted to get at was just what you needed to complete the file, and Mr. O'Connor came back and said that what you wanted was a letter showing that these specifications and invitations to tender had been submitted to these firms. This letter, as stated in my letter to you,

is in confirmation of the oral invitation to tender, and the specifications were sent so that if they wished to protest and say that they had not been given a fair show, there would be something to show." Now, who was the Mr. O'Connor there referred to? A. The minister's confidential clerk.

Q. Do you mean to say that he is one of the permanent staff of the Secretary of State's office? A. I do.

Q. Did he come to the Bureau and see you and Mr. Parmelee about this matter? A. He came to the Bureau to the King's Printer's office, and the King's Printer sent for me to come to his room.

Q. To talk about this matter of a file? A. To talk about the matter of the file.

Q. And what was said there? A. Mr. O'Connor was asked what the minister really wanted. It was discussed between the three of us, and the result was that the minister insisted on having formal letters sent to each firm.

Q. Yes, what else? A. Those letters were written and signed by the King's Printer.

Q. Written by you? A. Written by me and signed by the King's Printer.

Q. Were they discussed by the King's Printer when he signed them? A. They were.

Q. And sent with his full approval? A. With his full approval and the letter copied, and that letter sent with a covering letter signed by myself explaining that they were purely formal and were intended merely to place on the file in our department the fact of the verbal submission of that work to each firm for tender.

Q. A covering letter, you say, was sent by you? A. It was. It was dated the day it was sent out. The other letters were dated on the days that the work was submitted to each firm.

Q. The letters signed by Mr. Parmelee? A. The letters signed by Mr. Parmelee.

Q. Did Mr. Parmelee see the draft of the covering letters that were to be signed by you? A. He did.

Q. And did he approve of them? A. Yes.

Q. Those covering letters were a true explanation from your standpoint of the reasons why you were sending letters signed by Mr. Parmelee dated so much earlier? A. They were.

Q. Now, on the 10th of June, as I have just mentioned, Mr. Murphy wrote a letter to the Mortimer Company, saying: "I am informed by the King's Printer that in April last there was sent to you an invitation to tender for a new edition of *Farm Grasses*." Now Mr. Murphy had, on the 9th of June, been presented with the file from the Bureau containing all the letters signed by Mr. Parmelee, and covered by letters signed by you in the manner you have just described? A. Yes.

Q. So that, when he says in that letter of the 10th June, "I am informed by the King's Printer that in April last there was sent to you an invitation to tender", if the King's Printer had informed him that there was sent a written invitation to tender in April last, it would not be true, would it? A. No, it would not.

Q. The invitation to the Mortimer Company in April was verbal and not in writing, and the reply of the Mortimer Company was in writing, dated April 22? A. Yes, sir.

By Mr. Lake:

Q. The reply to your verbal invitation to them to tender? A. Was in writing.

By the Chairman:

Q. Dated April 22? It seems probable does it not, that Mr. Murphy's letter that he was informed by the King's Printer, &c., means that by examining that file which he received on June 9, it appeared on the file as if a letter had been sent? That is the meaning you would take? A. That is the meaning I would take.

Q. But you say that letter had been sent after a consultation with his confidential man, Mr. O'Connor? A. It was.

Q. Now do you remember Mr. William Mortimer talking with you in the Printing Bureau in April about this business? A. Yes sir. Mr. William Mortimer discussed the *Farm Grasses* order at various times during the two weeks that the matter was in a state of statu quo, and no secret was made of the fact that a reduced price of $1,100 had been secured from the Toronto Lithographing Company.

Q. Now in the Mortimer Company's letter dated August 16, there appears to me to have been a confusion in the mind of the writer of that letter, Mr. A. E. Mortimer, as to dates. In the first place, the conversation you had in the Bureau was with Mr. William Mortimer? A. Mr. William Mortimer.

Q. Was Mr. A. E. Mortimer present? A. He was not.

Q. He says in that letter: "At an interview in the Printing Bureau in April last, Mr. Cook stated to our Mr. William Mortimer that you had given a contract for the edition of *Farm Grasses* to the Toronto Lithographing Company, and that as the contract amounted to more than $5,000 you desired to have on file correspondence showing that you had invited tenders for the work, and that the Toronto Lithographing Company was the lowest tenderer. Mr. Cook added that this correspondence was required in case a question was asked about the matter." Now, whatever conversation took place with any of the Mortimer firm concerning the desire to have correspondence on the file showing what had been done, must of taken place some time in June, as shown by the questions of Mr. Murphy and the replies of Mr. Parmelee. Do you remember having some discussion with one of the Mortimers about the desire to get the file straightened out? A. I do.

Q. Which Mr. Mortimer? A. Mr. William Mortimer.

Q. You also remember the occasion when the Mortimer Company's letter was written? A. I do.

Q. And was that conversation with Mr. William Mortimer? A. It was.

Q. But these two conversations were not on one and the same occasion? A. They were not.

Q. But were separated by a couple of months? A. Yes, sir.

Q. At the conversation that you had in April, when you were getting prices, you could not in the nature of things have talked with Mr. William Mortimer about your correspondence file, could you? A. No, sir.

Q. When you had the first conversation with Mr. William Mortimer over prices, did you tell him that the contract had been previously given to the Toronto Lithographing Company? A. I did not. I told him in general conversation during the two weeks that the matter of the Toronto Litho. order was held up by the King's Printer, and while we were waiting for an opportunity to submit it to Mr. Murphy what was going on.

Q. You told him in other words of the difficulty that had arisen? A. Exactly. No, no, there was no difficulty at that time. We were awaiting an opportunity to submit the Toronto Litho. prices to the minister, and William Mortimer being a daily visitor to the Bureau, this conversation took place casually.

Q. But I am talking about the occasion when the Mortimer Company gave you prices? A. That was later. But the Mortimer Company were aware of every move that had been made in the matter.

Q. Well then, there were several conversations with the Mortimer Company? A. There were.

Q. In one of them you told Mr. Mortimer of the price you had received from the Toronto Company? A. I did.

Q. And that you were waiting for the confirmation of the minister? A. I did.

Q. And that price you told him had been extremely low? A. Yes, sir.

Q. What did he say to that? A. I can't say that I remember that any special remark was made.

Q. But you did go later to the Mortimer Company for a price? A. Yes, Mr. William Mortimer was called to the Bureau. I never visited their place in all the years I was in the office.

Q. You mean to say he was called to come down to the Bureau? A. Yes.

Q. Who met him at the Bureau? A. I did.

Q. And was it you who asked him for a price? A. It was.

Q. And did he give it to you in writing at the time? A. No, he went away to their office and prepared it.

Q. Now the Mortimer Company say in a letter to the minister, dpated August 16, 1910, signed by A. E. Mortimer, that their figures were not in the nature of a tender. Is that true? A. I understood thoroughly that their figures were in the nature of a tender.

Q. That letter goes on to say that it was to be used merely for the purpose of justifying the giving of the contract to the Toronto Litho. Company as explained to our Mr. William Mortimer by Mr. R. E. Cook'? A. That was not so.

Q. Now, the Mortimer letter, dated August 16, referring apparently to the conversation between you and Mr. William Mortimer, when you were explaining the desire to have the correspondence file set right, contains these words: "Mr. Cook added that this correspondence was required in case a question was asked about the matter. Mr. Cook asked Mr. Mortimer to put in a tender slightly higher than the Toronto Lithographing Company, and as the tender of the latter company had been placed on Mr. Cook's desk where Mr. Mortimer could see it, the latter copies the figures and returning to our office made up a tender as requested by Mr. Cook." Now at the time Mr William Mortimer talked with you about putting in a price, the correspondence which was required in case a question was asked about the matter was not thought of or talked of apparently? A. It was not.

Q. Nor until two months later? A. Certainly not.

Q. The conversation when Mr. William Mortimer was asked to tender or to give a price was in April? A. It was.

Q. The conversation about the correspondence and setting the file right was in June? A. It was.

Q. Was the tender of the Toronto company placed before Mr. Mortimer? A. It certainly was not.

Q. Did you show it to him? A. I did not.

Q. If he saw it, was it by any desire on your part? A. It was not. He says I laid it on my desk so that he could see it. As a matter of fact my desk is over six feet away from the counter. There was a counter at the entrance of our office, and that counter Mr. Mortimer never was allowed to go behind. He could not see it.

Q. Have you since asked Mr. William Mortimer about the contents of this letter dated August 16? A. Mr. William Mortimer, shortly after, left the city for his health, and has since been in Calgary or somewhere else in the west.

Q. You have never met since, in Ottawa or elsewhere? A. I have never seen him.

Q. Did you know anything about this letter before the evidence taken at the Printing Bureau inquiry was published and circulated? A. Not a word.

Q. Were you asked by Mr. Murphy any question about it? A. Never.

Q. Have you asked Mr. A. E. Mortimer anything about it? That is, the Mr. Mortimer who signed the letter? A. I did.

Q. When did you ask him? A. I met him on the street, on Sussex street, shortly after the report was published.

Q. What did he say to you? A. He wanted to shake hands. I refused and asked him what he meant by the publication of such a damnable concoction—that is the word I used to him. He replied that he wanted to explain that that letter was compiled in the minister's office, and he was forced to sign it.

Q. Did he say by whom it was compiled? A. By the Honourable Charles Murphy.

Q. And he said he was forced to sign it? A. He said he was forced to sign it.

Q. Did he tell you how he was forced to sign it? A. No. The inference was that he would lose the patronage.

Q. He did not say how it was, but you understood he would lose patronage? A. Exactly.

Q. You will notice that it was Mr. W. H. Mortimer who gave the evidence? A. I noticed that.

Q. Were you present when Mr. Mortimer gave this evidence? A. No, sir.

Q. And you had no chance at that time or since to answer it? A. No, sir.

Q. Mr. Mortimer says that on receiving a letter dated June 10 from Mr. Murphy he phoned to you, and you asked him to come down and see you, that he went down and asked you what was meant by the minister's letter, that you were not surprised, but gave him to understand that it was to complete certain files for the minister. So far, is that statement correct? A. That is correct.

Q. He goes on to say that you asked him to go and see the King's Printer and immediately afterwards told him to wait until you went in yourself. You then left him to see the King's Printer and afterwards gave him two letters, both antedated, which are the two letters dated April 20 asking for offers? A. They are the ones.

Q. Did you ask him to see the King's Printer? A. I cannot say that I remember doing so. I may have done it.

Q. Did you go in and see the King's Printer? A. I went in for the letters.

Q. You went in for the letters? A. That is my recollection.

Q. Was there any reason why you did not wish him to see the King's Printer? A. None whatever.

Q. The only purpose for his coming down had been to get an explanation of what the minister's letter meant? A. Exactly. I would say here that Mr. Mortimer was forced to transact all his business over the counter in our office, in the presence of all of the clerks.

Q. Forced by whom? A. Forced by myself. I never visited that institution in the years that we did business with him, never crossed even the threshold.

By Mr. Lake:

Q. Were there always clerks present at interviews you had? A. They were there always in the room.

Q. You never remember an interview at which there were not clerks present? A. No, the clerks were always present.

By the Chairman:

Q. And your conduct on that occasion in giving him these two letters of April 20, was in pursuance of the directions which the King's Printer had given you? A. It was.

Q. Both of the letters were signed by the King's Printer himself? A. They were.

Q. For the purpose which he explains in his own evidence? A. Yes, sir.

Q. In the speech made in the House by Mr. Murphy on April 25, reported at page 7735 of Hansard, the covering letter written by you, dated June 11, and sent to these various tenderers, is said by the then minister to have been sent without the knowledge of the King's Printer. Was that statement true? A. It was not.

Q. That letter you have already said was written by you, approved by the King's Printer, and signed by you upon his order? A. It was.

Q. The Honourable Mr. Murphy, at the same page that I have just quoted from, referring to the order given to the Toronto company, says that you went to the firm and took the copy away from them, which is true? A. It is.

Q. And he adds that you made an arrangement with them, the Toronto company, to return it, so that they might proceed with the work? A. No such arrangement was made.

Q. In his speech the then minister refers to a letter written by Stahl & Jæger to you asking you to return a coloured plate, and a reply by you dated May 25, 1910, to Stahl & Jæger, and in your reply you say the contract has not yet been awarded. was that true on May 25? A. It was.

Q. The order to the Toronto Lithographing Company had been withdrawn by you? A. It had.

Q. And no action had been taken by the minister? A. None.

Q. Then you say: "As soon as the successful tenderer is known you will be advised of the fact." You were there stating a mere procedure of the office? A. I was.

Q. You would have advised them if a contract had been closed with anybody? A. Yes.

By Mr. Lake:

Q. Could you have accepted these tenders in the usual way, being in the form in which they had been put in? A. We could.

Q. In some of the departments there is a rule that they will only receive tenders on a certain form. A. Such procedure has not been the custom in the Printing Branch of the Bureau.

By the Chairman:

Q. Then on the 11th June, 1910, you also sent to Stahl & Jæger one of the letters asking for tenders, about which you had given evidence? A. Yes.

Q. And that letter was sent like the others by the order of the King's Printer? A. It was.

Q. Did you make a statement to the Mortimer Company that the Honourable Mr. Murphy was having trouble with his colleagues about this contract? A. I did not.

Q. Mr. Murphy sarcastically says in his speech at page 7736 of Hansard: "And this gentleman"—meaning you—"in order to assist his minister, if you please, to carry out a dishonest transaction, extracted these prices from different firms and got the alleged tender from the Mortimer Company". Now, did you ever represent to any of the tenderers that you were endeavouring to assist the minister to carry out a dishonest transaction? A. I did not.

Q. From your standpoint, when you obtained prices from the different firms, was it perfectly honest for you to do so? A. It was.

Q. And perfectly fair and bona fide for you to do so? A. It was.

Q. The situation was that the minister, having objected to your conduct in giving the work to the Toronto Lithographing Company, you had gone and taken it away from that company? A. I had.

Q. And acting upon the instruction of the King's Printer, you were endeavouring to find what prices could be got from other people for that work? A. I was.

Q. And at that time, if the minister wished to accept any of those other offers, he was legally in a position to do so? A. He was.

Q. He had himself said that the department was not bound by what you had done? A. He said so in my presence.

Q. And the Toronto Lithographing Company did not say that the department were bound by it? A. Not to me.

Q. And Mr. Murphy's speech on April 25th: "I made inquiry later on and heard at the Bureau that Mr. Cook had been in Toronto and that some arrangement had been made with the Toronto Lithographing Company. To protect the department and myself I then wrote to the Toronto Lithographing Company stating that I had heard in an indefinite way that an official had gone to their place of business and had made some arrangement with them regarding the paper, and that as he had done so without any authority the department and its head would not recognize any trans-

action that may have been entered into by him." And you say that when you went to Toronto on your way to get prices from the other firms, you saw the letter from Mr. Murphy in the hands of the Toronto company? A. No, they told me they had such a letter. I did not see it, but the company told me that they had received such a letter from the minister.

Q. The previous day? A. The previous day.

Q. Then so far as you know, or are concerned, there was no reason whatever why the offers of any of these persons who gave prices should not have been accepted by the Secretary of State if he wished to? A. No reason.

Q. You referred a moment ago to some trouble that you had with the Under-Secretary of State, Mr. Mulvey. There was some difference of opinion between you and the Under-Secretary of State relating to the return to parliament. Either before or after that time did you have some difference of opinion with him about another matter? A. I did, about an order which he gave me to send an advance of $5,000 to the Montreal *Herald*.

Q. Now when did that take place? A. On the 9th July, 1910.

Q. That would be—? A. While the investigation was in progress.

Q. While the inquiry was in progress at which you gave evidence? A. Yes.

Q. Do you remember the day of the month on which you gave evidence? A. No, sir.

Q. July 7th was the day on which Mr. Mulvey gave evidence. That was on Thursday. Now what day was it you say you had the conversation with him? A. Saturday, July 9th.

Q. Where did it occur? A. In my office in the Bureau.

Q. Just describe in your own words what took place? A. About eleven o'clock, or a little after, Mr. Mulvey came in, called me over to the counter, and ordered me to send the Montreal *Herald* $5,000 on account.

Q. On account of what work? A. Immigration work which was in progress in the *Herald* office.

Q. What was the nature of the work? A. Immigration pamphlets.

Q. Was the *Herald* working on a contract for such work? A. It had received the order direct from the Honourable Frank Oliver, who gave the work personally to Mr. Brierly of the *Herald*.

Q. Was that according to the rules and regulations? A. No. Of late years the regulations have required that that work should all be ordered from the Bureau.

Q. Is not that requirement in the Act itself? A. Yes. The only exception permitted by Act of Parliament is for Intercolonial printing, which may be done outside.

Q. I will quote the Act: R.S.C., Chapter 80, Section 16, says: "A Government establishment shall be organized at Ottawa, and shall be under the management of the Superintendent of Printing, in which establishment all printing, electoral typing, stereotyping, lithographing and binding and ther work of a like nature required for the service of Parliament and the several Departments of the Government, shall be executed, and that applies to all printing for Government Departments, except for the I.C.R. and the P.E.I. Railways." A. It does.

Q. The Act is 3 Edward VII, 1903. Now, you say that the practice had been and has been since, generally speaking, that such work as this would be done through the Bureau; that is to say, whether it was printed inside or outside the Bureau, it should go down to the Bureau to be handed out and to make the contract? A. Yes, sir.

Q. And this particular work had been handed to the Montreal *Herald* from the Department of the Interior? A. Yes, sir.

Q. When you say that the Honourable Frank Oliver gave it, are you speaking from knowledge that he did so, or do you mean that the department gave it? A. From the information given me by Mr. Brierly, the Managing Director of the Montreal *Herald*.

Q. Who told you that Frank Oliver had given it to him? A. He did.

By Mr. Lake:

Q. He told you personally that Frank Oliver had personally given it to him? A. He did.

By the Chairman:

Q. When had it been given out, about what time? A. Oh, it had been given out some considerable time before the *Herald* disaster, I do not know the exact date, but some months.

Q. Would that disaster be about the time of Mulvey's application to you? A. No, some considerable time before it.

Q. And the work had been going on for some time, apparently? A. It had.

By Mr. Lake:

Q. When were you officially informed that the work had been given? A. The covering requisitions stating the prices arranged for were sent to the Bureau, and we, in the regular course, sent a covering order to the Montreal *Herald*. A copy was given direct to Mr. Brierly.

By the Chairman:

Q. Then your department had nothing to do with the making of a price? A. Nothing whatever.

Q. Do you remember what the price was? A. No. There were quite a number of pamphlets on the order, each having a rate of its own.

Q. Have you since compared these prices with other prices? A. No, sir, I have not. I was suspended within one hour, and the information has not been available since.

Q. Within one hour of your dispute with Mr. Mulvey? A. With Mr. Mulvey. I refused to send the money, explaining that I had no accounts, no samples of the work, incomplete delivery receipts, and not having made the arrangements, I was not aware that any such sum was due the Montreal *Herald*, and in addition to that I was aware that the Interior Department had already illegally advanced the *Herald* $5,000.

Q. On account of what? A. On account of that same work.

Q. Now, who had told you that? A. Mr. J. S. Brierley.

Q. Mr. J. S. Brierly himself? A. Himself.

Q. When had he told you that? A. Some weeks prior to Mr. Mulvey's visit to the Bureau.

Q. Under what circumstances did he make that statement to you? A. He was visiting the Bureau, and in conversation asked me how I proposed to fix it up.

Q How you proposed to fix up the fact that he had got the money? A. Yes.

Q. And did you make any attempt to fix it up? A. I did not.

Q. You had nothing whatever to do with it? A. I had nothing whatever to do with it

Q. When you made the statement to Mr. Mulvey, did he admit his knowledge of it? A. He would not listen to the arguments that I was endeavouring, or the explanations that I was endeavouring to make to him, and left the office in a rage.

Q. At that time you had no invoice, or bill of account, from the *Herald*, showing what they claimed to have done? A. Nothing of that nature at all.

Q. You had no statement whatever showing how much they claimed to be due to them? A. No, sir.

Q. You had received none of the work so as to judge of its quality? A. No, sir.

Q. You had received no information from any source, so as to know what amount they had done? A. I had not. I knew that some deliveries had been made from delivery receipts sent to us, but only a few.

Q. Some deliveries had been made to the order of the department? A. Of the Department of the Interior.

Q. But not from any order given by you or sent through you? A. But they were confirmed by the fact of our sending a covering requisition to the Montreal *Herald,* but we were not responsible for the instruction.

Q. The requisition for these pamphlets would come to you from the Department of the Interior? A. Yes. We would file it and send a regular Bureau order ordering the work.

Q. This is ordering the delivery of the work? A. Yes, ordering the printing.

Q. To whom would the pamphlets be delivered from time to time? A. They were delivered to the steamship companies in Montreal.

Q. What time of the day was it when Mr. Mulvey came to you? A. Somewhere between eleven and twelve o'clock.

Q. On Saturday? A. On Saturday morning.

Q. Was the King's Printer in his office? A. He was.

Q. Was the accountant in his office? A. He was.

Q. Did you suggest to Mr. Mulvey that it was his duty to see either one of those gentlemen? A. No, sir, I did not, I did not get a chance to.

Q. Why, just tell us all the circumstances. A. Mr. Mulvey gave his order.

By Mr. Lake:

Q. Do you remember the form in which he gave this order?

By the Chairman:

Q. Tell us as nearly as possible what was said and done? A. His exact words I do not recall, but they were to the effect—it was a command to send $5,000 to the Montreal *Herald.*

Q. When he gave this command what did you say? A. I explained that I could not do so, that I had no accounts, nothing to certify to, or send to the accountant, who would, in the ordinary course of events, forward the cheque. I could not send the cash or the cheque; I had nothing on which to place my endorsation.

Q. What had you to do in connection with the sending of a cheque, according to the practice of the department? A. Nothing whatever with the sending, except that I endorsed an account "O.K." which meant—

Q. You mean to say that in order to have a cheque sent the practice would be for you to endorse an account? A. It was.

Q. And what course would it go through then? A. It would be mailed to the accountant, who would transfer it to our department for checking.

Q. Transferred it to you for checking? A. Yes, it would then be returned.

Q. Signed by your O.K. if it were right? A. Yes, together with a sample of the work to the accountant, and is issued in due form.

Q. Who would issue in due form? A. Who would issue the cheque of the department.

Q. Then what would be required of you at that minute when Mr. Mulvey spoke to you was that you should certify that the amount was due to the *Herald* Company? A. The necessity arose to manufacture an account if I did not have it.

Q. What you would be instructed to do would be to certify that the amount was due to the *Herald*? A. Exactly.

Q. And you said that you could not certify because you had nothing to certify on? A. I had no evidence that the amount was due.

Q. What answer did he make? A. He said: "It is the minister's order." I said, "I cannot help that". I said. "I have nothing to certify, I cannot do it. I will telegraph the *Herald* at once and get the necessary documents."

Q. What reply did he make to that? A. He turned on his heel and went out without making any reply.

Q. Did you telegraph to the *Herald*? A. I did.

Q. Immediately? A. Immediately.

By Mr. Lake:

Q. Would a copy of that telegram be on the file? A. A copy of that telegram is on file at the Bureau.

By the Chairman:

Q. You say that you were then suspended? A. At half-past twelve the King's Printer came to my office and informed me that he wanted to see me before I left at one o'clock, the usual closing hour on Saturday. At one o'clock he informed me that I was suspended for three months.

By Mr. Lake:

Q. Did you ask him the reason? A. I did, and he replied that the minister had given no reason.

Q. Nothing more than that? A. Nothing more than that.

Q. Mr. Mulvey has the rank of deputy minister, although I understand from you he is not your direct superior, is that the case? A. That was the case.

Q. What was your general demeanor towards him? A. Were you respectful on that occasion? A. On that and all occasions. So much so that the King's Printer, in Mr. Mulvey's own office, said to me how I managed to keep my temper. My reply to him was — Mr. Mulvey had not left the room — that I must keep my temper with a man with the rank of deputy minister.

Q. On what occasion was this? A. That was on the occasion of the Armstrong return. I had at all times treated him as a superior should be treated.

By the Chairman:

Q. On the occasion of the Armstrong return? A. What gave rise to such a suggestion by the King's Printer? A. The display of temper by Mr. Mulvey, and our apparent inability to frame an answer to that return that suited the gentleman.

Q. Was he rough with you on that occasion? A. He was.

Q. Angry and annoyed with you? A. He was.

By Mr. Lake:

Q. Have you any idea as to what made him so angry on the occasion he asked you to certify to an account for $5,000 for the *Herald*? A. No reason that I was aware of.

Q. But when you very respectfully declined to certify to any account, he burst into a passion? A. He did.

Q. Quite evident to all who were there? A. No doubt of it.

Q. And turned on his heel and left the office? A. He did.

By the Chairman:

Q. Were others present at the time? A All of the clerks were in my room. Just what observation they took of the matter I do not know.

Q. What clerks were in the room? A. Mr. J. T. Neville, Mr. Consitt, Mr. Daly, Mr. McClory, and Mr. Heaslop.

Q. Did none of them speak to you, or did you speak to none of them in particular, after Mr. Mulvey had retired, with reference to the incident? A. Oh, yes, we discussed it generally amongst ourselves.

Q. Can you remember persons with whom you discussed it? A. No, none in particular. The clerks in general were discussing it, and also my suspension.

Q. You could not have discussed the two at the same time? A. Oh, no, later on.

Q. But the question was, did you discuss it after Mr. Mulvey went out? A. Immediately I spoke of the order I had given me and the impossibility of fulfilling it.

Our desks were all right round in a square, like this: (Illustrating by a gesture) and in discussing it with one all heard the conversation.

By Mr. Lake:

Q. Then in regard to your dismissal, are we to understand that you were dismissed without any charges made against you and without any official notice as to the reason of your dismissal? A. I will give you the—

By the Chairman:

Q. Your suspension was verbal? A. Verbal.

Q. Your dismissal is in writing? A. Yes, sir. Here is the letter of dismissal.

Witness produces letter.

KING'S PRINTER, CANADA.,
OTTAWA, September 28th, 1910.

R. E. COOK, Esq.,
33 Melgund Ave.,
Ottawa, Ont.

DEAR MR. COOK:

I am instructed to advise you that you have been dismissed from the service of the Department of Public Printing and Stationery from this date.

Yours faithfully,
(Sgd) C. H. PARMELEE,
King's Printer and Controller of Stationery.

By Mr. Lake:

Q. On receiving the letter of dismissal, you asked Mr. Parmelee why you were being dismissed, but that gentleman said he did not know? A. Yes, sir, that is the fact

Q. Mr. Parmelee is your official head, the only official head of your department? A. Mr. Parmelee is the only official head, King's Printer and deputy minister, Department of Public Printing and Stationery, under the Secretary of State

Q. And the Under-Secretary of State has no control, as such over the Department of Printing? A. None whatever.

Q. You never have any instructions from the deputy head of any other department? A. Never.

Witness retired.

Commission adjourned.

OTTAWA, WEDNESDAY, January 31, 1912.

FORENOON SITTING.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

JOHN DALY, called, sworn and examined.

By the Chairman.

Q. You are an employee of the Printing Bureau? A. Yes, sir.

Q. And you have been there for a number of years? A. Yes, sir.

Q. You are employed in the same office as Mr. R. E. Cook? A. Yes, sir.

Q Prior and up to the time of Mr. Cook's suspension? A. Yes, sir.

Q. Do you remember a call made by Mr. Thomas Mulvey of the State Department to the Printing Bureau about July 1910? A. With reference to?

Q. In which a conversation took place between him and Mr. Cook? A. With reference to anything particular?

Q. With reference to something which he wished to do—I do not want to lead you—I want to see if you remember? A. I remember him there once, yes.

Q. Can you remember the subject of the conversation on that occasion? A. I think it was in connection with paying something in advance to the *Herald*.

Q. The Montreal *Herald*? A. Yes, sir, that is as far as my recollection goes.

Q. Will you tell us to the best of your recollection what took place? A. I think that Mr. Cook required some receipts before he would issue any payment of money.

Q. How had the matter about the payment of money come up? A. Well, as far as I understand it, Mr. Mulvey wanted to advance some money to the *Herald*. I think there was a fire or something, if my recollection is right.

Q. A fire at the *Herald* office, and Mr. Mulvey wanted to advance some money? A. On some work that was done.

Q. And what do you remember took place about it? A. I think Mr. Cook objected that it was irregular to do so until such time as he had receipts showing that the work had been delivered, or part of the work delivered.

Q. Do you know what Mr. Mulvey said to that? A. I do not know. I cannot say as to what he said, but I think it hung fire for a considerable time, for a short time, pending the receipt of the receipts that Mr. Cook wanted. That is my impression.

Q. Was Mr. Cook suspended soon after that? A. Mr. Cook was suspended, I think in July.

Q. Can you recall when? A. A short time after.

Q. Shortly after that Mr. Cook left, after the conversation took place? A. Yes.

Q. Might it have been on the same day that Mr. Cook was suspended? A. It might have been on the same day or the next day, I can't remember.

Q. Can you recall what day of the week it was? A. No, I cannot.

Q. Well now, what was the manner of Mr. Mulvey in the conversation with Mr. Cook? A. I think his manner was a request that he do so.

Q. A request can be couched in an order or in a gentle way? A. Of course he was dealing with Mr. Mulvey, I cannot say exactly.

Q. Did you gather that there was any excitement or annoyance on the part of either party? A. I guess if Mr. Mulvey didn't get his wish there must have been annoyance on Mr. Mulvey's part.

Q. I am asking whether you observed anything that day? A. No, I cannot say that.

Q. Nothing that struck you particularly? A. No, sir.

Q. Did anything take place in the office after Mr. Mulvey went over the matter? A. I think Mr. Cook spoke to him about the matter. He asked him if we had receipts, or something to that effect. We had no receipts at the time and the matter rested.

Q. There were no accounts at the time? A. I am not sure, the account might have been in, but we did not have any receipts covering them.

Q. What do you mean by receipts? A. Receipts that the goods had been delivered.

Q. An advance in those circumstances would be contrary to the practice of the department? A. Well, yes, unless we had receipts showing that the goods had been delivered.

Q. After Mr. Cook's suspension was the money sent to the *Herald*? A. Yes.

Q. Immediately after? A. Upon us receiving the receipts that the goods had been delivered.

Q. The receipts did come? A. Yes, I understand as far as my recollection will go, receipts came just before the advance was paid.

Q. Do you remember whether that day after the conversation took place and Mr. Cook was suspended any message was sent to the *Herald* requesting vouchers? A. Well, I cannot say as to whether they had been sent, but that would be our order of procedure to immediately inquire.

Q. That would be the natural order of procedure?

By Mr. Lake:

Q. I would like to ask if any printers requiring jobs, that is asking for work, came to your office are they kept on other side of the counter? A. Mr. Cook had the King's Printer form a partition on the inside so that they could not get in, because accounts and everything would be on his desk. If they got in they could see everything that transpired, and for that reason I think he had Mr. Dawson put up a partition so that they had to stand outside of the partition, a little counter.

Q. And no man was allowed inside? A. They were not allowed in, but sometimes some of the clerks coming in or going out would leave the door a little bit ajar and if some came they would push their way in. I know on some occasions Mr. William Mortimer pushed his way in. Mr. Mortimer was a pretty hard man to keep out.

By the Chairman:

Q. Do you remember Mr. Mortimer calling there in April, 1910 about a publication called *Farm Grasses?* A. I do not remember that. I know he was there two or three times a week sometimes, but whether about *Farm Grasses* I cannot say.

Q. In a letter which was written concerning a transaction in which Mr. William Mortimer had a part, it was said that Mr. William Mortimer saw a tender which had been made by somebody else about the work on these *Farm Grasses,* that he got the figures, and afterwards used them in his own tender. Now, do you know anything at all about that transaction? A. Nothing whatever. I would like to ask a question, do you mean by that to state or insinuate that Mr. R. E. Cook laid that tender in such a place that Mr. Mortimer could see it?

Q. In that letter to which I refer that insinuation is made? A. Knowing Mr. Rory Cook for twenty-five years I would say I do not think Mr. Rory Cook would do anything of the kind, would do anything like that for Mr. Mortimer or for anybody else. That is my statement.

Q. You and Mr. Cook were together for quite a long time in that office? A. In the same office, working as a clerk under him since 1907.

A. And that office would be the one which had the giving out of printing and lithographing to be done outside the Bureau? A. Yes, sir.

Q. And during the whole of that time did you see anything which in your opinion was blameworthy on the part of Mr. Cook? A. Nothing but what was praiseworthy in the interests of the government.

Q. You found him an efficient—? A. Yes, sir, always looking after the interests of the government in everything he did.

Q. From your knowledge of Mr. William Mortimer's conduct when visting the office at different times, and your long knowledge of Mr. Cook, if Mr. Mortimer made a statement insinuating that he had been allowed to see tenders in order that he himself might make a tender, and if that statement were denied by Mr. Cook? A. I would take Mr. Cook's word.

Q. Since you were requested yesterday to come here, have you had any talk with Mr. Cook about your evidence? A. I only got the request to come here ten minutes before I put on my coat.

Q. And you did not see Mr. Cook until you came to this office? A. No, sir.

Q. Have you brought with you the book full of correspondence in relation to *Farm Grasses?* A. Yes, sir.

Q. So far as you know is it all that is in the Bureau? A. Yes.

Q. Do you find there any letter or letters, dated in April, 1910, addressed to certain persons in the United States of America asking for tenders or prices? A. No, sir, I find here letters of April 29 asking for prices.

Q. That is what I want? A. There are two letters here, April 20, asking for prices.

Q. You find no letters to American firms? A. No, sir.

Q. File 11,557 and File 13,824 contain the only papers now in the Bureau regarding *Farm Grasses*? A. Yes, sir.

Witness retired.

C. H. PARMELEE, called, sworn and examined.

By the Chairman:

Q. You are the King's Printer? A. I am.

Q. Appointed when? A. First of February, 1909 at least I assumed office then

Q. You gave evidence in an inquiry held by the late Secretary of State, the Honourable Mr. Murphy, on July 7, 1910? A. Yes, sir, about that date.

Q. That evidence was not on oath? A. Not on oath.

Q. Referring in that evidence to a discussion which had taken place within the precincts of the House of Commons, when the Honourable Mr. Fisher, the Honourable Mr. Murphy and yourself were present, you gave some evidence about a direction by the Hon. Mr. Murphy, that prices should be got for a work called *Farm Grasses?* A. Yes, sir.

Q. In the Hon. Mr. Murphy's questions he said, 'You were requested to obtain prices from English and American firms doing that class of work." In your reply you said, "I pointed out it would be impossible to go to England for prices on account of the distance and the length of time required." What had length fo time to do with the matter? A. Well, we were in a hurry and wanted to get this work out as soon as possible, and the calling of tenders from England would carry it over the period. It was in this way, Mr. Chairman, the Department of Agriculture had an appropriation of $6,000 for printing, and the Seed Branch, of which Mr. Clark was the superintendent was very anxious to get out this book called *Farm Grasses.* He wrote to Mr. Cook and myself that if we could get that placed so that he could avail himself of that appropriation before it expired on 31st March he would use the money and would not have to ask an appropriation for the following year. If we had taken that procedure it would have made it absolutely impossible to meet the views of the department in that respect.

Q. At that interview with Mr. Murphy did you explain the reasons why English prices could not be got on the grounds you have just mentioned? A. On the grounds I have mentioned, yes. I think at the same time I explained that it was practically impossible to go outside of Canada to get it done.

Q. For what reason? A. Well, the same reason as far as the United States are concerned. We did not know any particular firm doing this particular kind of work —it is not the ordinary kind of lithographing work. That was my opinion and I so expressed it. I may say this—possibly it is where some of the trouble began—I perhaps did not treat going outside for tenders as seriously as I should have done. To tell the truth I thought what I had said was according to the information I had, though I had no express authority for thinking so.

Q. But you were satisfied from the whole course of the conversation that it was not necessary for you to go for English prices in order to satisfy the minister? A. No, sir.

Q. In not sending out you acted then in perfect good faith? A. I did.

Q. Believing that the whole conversation justified you in not doing so? A. Yes, I may have been wrong in that, and I want to be perfectly fair. I may have assumed a conclusion too soon.

Q. You may have assumed the conclusion too soon? A. Yes.

Q. And later on from the tenor of the minister's examination on this occasion you would gather that he was annoyed that you had not done so? A. Yes.

Q. But up to the time of this examination in July, 1910, you had not any thought that he was annoyed on that particular feature? A. Except that when Mr. Cook and I went up with the arrangement we had been able to make—

Q. Some time in April? A. Then he said we must get prices.

Q. That was the first time you thought there was any objection, so far as not inquiring for English prices is concerned that was for the reasons you have given, and from your deliberate conviction that it was useless to try it? A. Yes.

Q. Concerning that class of work, the Toronto Lithographing Company had the previous year done *Farm Weeds?* A. *Farm Weeds,* and done it very well. As a matter of fact I have seen some English and American publications, and they were very much inferior to that which the Toronto people got out.

Q. It is a very beautiful work, we have seen it here. Now, wouldn't there have been great difficulty in looking over the proofs of plates if that work had been done in England? A. Yes, the proofs would have to be passed back and forth, we cannot tell how many times that would be necessary, a great many times.

Q. Occasioning great delay? A. And occasioning great delay, yes. Proofs of that character have to be passed back and forth. It depends how well the engraver does his work in the first place, but it is always subject to corrections.

Q. I suppose for the purpose of getting tenders on such work, it would have been necessary to show the English tenderers the plates that you had, for instance? A. Show them the copy.

Q. You would have to show them— ? A. They would have to see the copy.

By Mr. Lake:

Q. The original drawings? A. The original drawings.

By the Chairman:

Q. As you had only one set of those original drawings? A. One set.

Q. They would have to be sent to England and got back, and sent to America and got back again, and to Canadian offices and back again?

By Mr. Lake:

Q. They would have to be sent to every separate tenderer? A. Yes, and then we would begin the operation over again with another firm.

By the Chairman:

Q. When you say there was only one set of original drawings, they were very fine drawings done by an artist? A. Yes, and were very valuable.

Q. And I presume the mere passing back and forth in the mails would be dangerous? A. It would be dangerous, it would expose them to the risk of loss.

Q. And wear and tear? A. I am not sure about that, but I know it would be exposed to the danger of loss.

Q. The minister at that inquiry asked a question concerning the work on *Farm Weeds* the previous year to this effect: "Had he not at the interview referred to made it clear to you that everything that was done should appear in writing, and that letters were to be written for prices? Your answer was: "I presume it did take place, though I cannot say absolutely." By that answer did you mean to imply that

your memory about the matter was not clear? A. Well, no, I think it could be put stronger, I had no recollection of any such thing.

Q. As a matter of fact, Mr. Cook had gone with your approval to Toronto for the purpose of obtaining prices, had he not? A. Yes.

Q. And that would be inconsistent with any knowledge on your part that prices were to be obtained by correspondence, would it not? A. Well, yes, I have no recollection of that particular question he puts to that particular effect. If I had a perfect recollection I was not going to say it had not taken place. I had no recollection then, and I have not now.

Q. The form of his question asserted a recollection by him that it had taken place, and you had no recollection of it, and answered in that way? A. Yes.

Q. I am putting this question, you did send Mr. Cook to get prices. You would not verbally, of course—he might bring back a letter—but you sent him to get the prices and you would not and you did not do that with any thought that you were not obeying the directions of the minister? A. No, sir, As a matter of fact I sent Mr. Cook because I wanted him to be in charge of the plans, and he could go from one office to the other, one object being to save time, and the other being to safeguard the drawings themselves.

Q. Then when he went to Toronto he carried those plates with him? A. Yes, the drawings.

Q. The drawings I should say—for the purpose of showing them to get prices. After his return he reported to you? A. Yes.

Q. And then were any attempts made to see the minister? A. Well, perhaps not so soon as they should have been. I was sick for a week or ten days, and then Easter came on, and I made two or three attempts to get Mr. Murphy and Mr. Fisher to meet together, as I considered that Mr. Fisher was interested in the whole project. I may say for Mr. Cook that he urged me two or three times to try and hasten the thing through. That was the chief reason of the delay. There was no idea of withholding from the minister, or doing anything that was not perfectly fair and above board in the matter.

Q. Mr. Cook says that you and he went on two or three occasions to the House of Commons to try to see Mr. Murphy and Mr. Fisher in good faith. Is that correct? A. That is correct.

Q. Then on March 26, 1910, the minister appears to have written to you a letter which he quotes as follows: "Since the date of the interview I have not heard anything further about the matter. I would like to know in what position it now stands." There is no answer in writing to that. But was there any answer by your action? A. Yes, to the best of my recollection we had made attempts once or twice before that date, and had failed to see him and Mr. Fisher—I would not be absolutely certain as to that—but after receiving letters, Mr. Cook and I started out again and eventually we did succeed in seeing him.

Q. Where was it? A. Well I am not so sure that it was in his own office, the departmental office, or the House of Commons. I should think it would be at his own office.

Q. Did you take the plans with you? A. I believe Mr. Cook took the specifications and the prices he had been told to obtain, that is my recollection.

Q. And the plans, I mean the drawings and sketches? A. I am not so sure about that, I fancy not.

Q. As a matter of fact, where were they at the time? A. I think that transpired in Mr. Cook's evidence.

Q. Don't tell us anything but what you know. Now just see if you cannot dissociate your mind from what Mr. Cook told you afterwards. A. I don't know that it ever occurred to me where they were. Talking of the plans to Mr. Murphy would convey no information to him.

Q. Had he previously seen them at all? A. I do not think so.

Q. You cannot now recall that you knew where the plans were? A. No, I can not.

Q. Now what happened at that meeting? A. Mr. Murphy absolutely refused to take it into consideration at all. He said he must have prices.

Q. Well, what prices, be a little definite? A. Competitive prices.

By Mr. Lake:

Q. To take into consideration? A. Tenders or competitive prices, at least that is what I understood.

By the Chairman:

To take what into consideration? A. The arrangement that Mr. Cook had made with the Toronto Lithographing Company.

Q. Well, did Mr. Cook say he had made any arrangements? A. Well, he brought back prices, I suppose you can call it an arrangement. They were willing to do it at these prices. In the form of tender was I think a quoted price on certain specifications.

Q. You say Mr. Cook had taken up a schedule? A. And a specification simply setting out certain things that must be done.

Q. Yes, a specification, but he had taken to the meeting with Mr. Murphy a summary of the quotations he had received up to that time? A. Yes.

Q. Is that the document referred to on page 357? A. No, that is a subsequent matter.

Q. Did he take up anything in writing to that interview? A. It is so long ago I can hardly remember.

Q. To the best of your recollection? A. I cannot recollect. He must have had the figures in some form or other. I do not think they were in the form of an official document. I know I did not read an official report but when Mr. Cook went up there he had I think all the information, those figures.

Q. He had something anyway? A. I suppose he must have had.

Q. Did he report the prices at which the Toronto company were willing to do the work? A. I cannot recollect, he must have done so.

Q. You must remember the effect of that conversation you held that day? A. The thing that impressed itself on me was the fact that he refused to discuss the matter at all, and sent him back to get competitive prices or tenders, so how far—

Q. If he refused—let us get down to the reason—If he refused to discuss the matter at all and sent you back to get competitive prices, then there must have been a statement in some form of some prices by somebody, mustn't there? A. There must have been, yes.

Q. In effect, wasn't what he said this: "I won't consider giving it to the Toronto company until you bring further prices before me." A. That was the effect of it.

Q. It follows from that that Mr. Cook had reported to him a definite price named by somebody? A. Yes.

Q. He wanted further prices?

By Mr. Lake:

Q. And that somebody was the Toronto Lithographing Company? A. Yes.

By the Chairman:

Q. Now do you remember anything being said at that interview by Mr. Cook concerning what had been done by the Toronto company? A. In respect to *Farm Weeds?*

Q. *Farm Grasses?* A. No, I have no recollection.

Q. Anything said about paper? A. At that interview?

Q. Yes? A. I think so, yes.

Q. What was said, do you remember? A. I do not remember what was said particularly at that interview, I know what Cook said to me.

Q. Before you went to that interview? A. Well, I suppose it was, yes.

Q. What was that? A. Mr. Cook reported to me that he could get, or had got, these Stone people to order the paper in England, a particular paper we needed for the text of the book, at 9½ cents a pound, and he also reported to me that he considered it is an excellent bargain for the reason that for the paper used in the *Farm Weeds*, which was precisely the same paper, we had to pay 10 cents, and I presume that is what he reported to the minister. I have no vivid recollection.

Q. I understand that is what you believe he mentioned to the minister at that date? A. Yes.

Q. This paper was a special quality wasn't it? A. Yes.

Q. And it would have to be ordered from England? A. That is what I was given to understand, yes.

Q. That is what you, as a printer, would believe, would you not? A. Yes.

Q. It was desirable from the standpoint of the Department of Agriculture to have that out before the end of March? A. Well, yes, at least in time to pay out of that year's appropriation.

Q. Which would end at the 31st March ? A. Yes, we have a few days later in which accounts can be paid.

Q. But even at the best, ordering paper of that kind from England in order to get it out here, and get your invoice, and get it paid, would require at least a month, wouldn't it? A. Fully a month.

Q. And you would be clipping the time very short? A. Yes.

Q. So there would be a pressing necessity from that standpoint for rushing it? A. Yes, in order to accommodate and oblige the Department of Agriculture and give them a good service.

Q. In any case, no matter who did the printing, it would be desirable for the department to get that kind of paper and have it on hand? A. Have it on hand.

Q. As I understand it, it was intended that the lithographing should be done outside the department? A. Yes, because we do not do any lithographic printing. That would have to be done by the Stones or somebody else.

Q. And it was intended to do the printing of the ordinary reading matter inside the Bureau? A. Inside the Bureau.

Q. So in ordering paper, you would order paper for the lithographing. A. Yes, the plate paper.

Q. The plate paper would go to the people doing the lithographing, and the printing paper would come to the Bureau, and it would all be ordered at the same time? A. Yes.

By Mr. Lake:

Q. Why didn't the Bureau themselves order that paper? A. Well, I can hardly tell you. At this time, it was considered that we had to get the paper, and the Toronto Lithographing people were buying that paper. They are able to provide it and get it quickly. They had their mills in England and were prepared to get it, while we had no means of putting a rush order through.

Q. Stone is the other name for the Toronto Lithographing Company? A. Yes, it was Stone in those days.

By the Chairman:

Q. From your knowledge of the printing business and particularly the paper used the previous year in *Farm Weeds*, do you say that the price of 9½ cents per pound was a reasonable and fair price ? A. I could not swear to that, I am not an expert on paper, Mr. Morine. I relied on Mr. Cook's judgment on the matter which I considered

good at the time, and which I consider good stuff. I also relied on the integrity of one of the most honourable firms in Canada. I wanted to get the paper at a fair commercial value.

Q. Have you learned, or have you any reason whatever at the present minute to doubt that that was a fair price for the paper? A. I have no personal knowledge, Mr. Morine. I did understand that during the investigation held by Mr. Murphy he had a couple of experts here, who came to the Bureau and got samples from the Bureau, and I presume made a report to him, although I did not see it. So far as I am concerned, I have no knowledge but that the paper is what it purports to be and that the price is fair and just.

Q. You have no suspicion even that it was not a fair price? A. No, no suspicion even.

By Mr. Lake:

Q. If this arrangement had been carried out completely with the Toronto Lithographing Company, they would have sent an order to England for the paper? A. They did so, as a matter of fact.

Q. Part of that paper would be delivered to the Bureau, and part to them? A. For this reason, Mr. Lake, we intended to print the text, that is the descriptive matter of the work, at the Bureau. We do that. The lithograph printing is an entirely different process. We have no lithographic press, and the Toronto Litho. were lithographic people and would have made the plates, and then we insert the plates in the reading matter when we get the text printed, and bind it together and make a volume.

Q. What makes me feel like asking the question is why should not the Bureau have ordered that paper, and save the profit which no doubt the Toronto Lithographing people would make on the order passing through their hands? A. To the best of my recollection, it was done in the first place to meet the wishes of the Department of Agriculture in securing the spending of part of that appropriation before it expired or lapsed. It had to be English paper. The Bureau is not in the habit of buying English paper, except a little hand-made paper. We have no connection with the mills, and it would have been impossible for us to secure prices and have it delivered in time to accomplish that object. On the other hand the Toronto Lithographing Company have connection with English mills, are importing that paper, and are in a position to do what we wanted done.

By the Chairman:

Q. Do you remember what the minister said concerning the paper at that interview? A. No, I have no recollection that anything was said about paper. The recollection I have about that first interview was that he absolutely refused to entertain anything, and sent me back to get prices in the most peremptory manner. That is the only thing of which I have anything like a vivid recollection.

Q. Following that interview in Mr. Murphy's office, what was done? A. Well, I instructed Mr. Cook to get tenders. At that time we knew of no firms, he simply had to go out and hunt them up, and after discussing it with me we knew there was one firm in Buffalo that we thought possibly could do the work, and we were sure that in a city so large as New York there might be other firms and he went away on my instructions and received tenders.

Q. Would there be any firms in Toronto that might tender? A. No, the only firm in Toronto that could were the Clark Company. I understand that they were not eager to tender, because they had tried the *Farm Weeds*, and had fallen down on it.

Q. Well, Mr. Cook went away, and when he came back he reported to you? A. Reported to me.

Q. Do you remember where he went? A. He went to Buffalo and he went to New York.

Q. And to Toronto? A. Well he went to Toronto, I think to get the drawings that were in the hands of the Toronto Lithographing Company, thence to Buffalo, and thence to New York.

Q. The prices which Mr. Cook reported to you were afterwards made into a little statement of tenders? A. Yes.

Q. Which appears at page 337 of the inquiry? A. Yes, that is it.

Q. And he brought back some letters from those parties? A. Yes, giving prices.

Q. Obtaining their prices? A. Yes.

Q. Was a meeting held with the minister to show him the prices you had received? A. Yes, to the best of my recollection, Mr. Cook and I went up to his office, Mr. Cook with that tabulated statement and letters and form of specification.

Q. What took place then? A. Well, I am unable to say except that it was held up. Nothing came of it, no Order in Council was passed, I was not asked to prepare a recommendation to Council and then sign that. The inquiry was begun.

Q. At that interview, the minister, I take it, did not decide to accept or reject any of those tenders? A. No.

Q. Do you remember what he said about the figures that were placed before him? A. No, I don't know that he expressed any opinion.

Q. So far as you can remember, he made no objection about the matter? A. No objection and no approval.

Q. And gave no directions as to the work? A. No.

Q. Has the work ever been done? A. The plates are being made.

Q. By whom? A. Under a new contract, the Montreal Lithographing Company.

Q. When was that contract given out? A. It was given out some months ago.

Q. During 1911? A. During 1911, yes.

Q. So that the work which might have been published in 1910 is not yet published? A. No, it is not yet published.

Q. Can you from memory say how the price of the work now being done compares with the Toronto company's? A. We invited tenders from the same American firms that we asked to tender before. A great many were asked—the Mortimer people, the Toronto Litho., and the Montreal Lithographing Company. The difference in price was a mere bagatelle as between the Stone and the Montreal Company, Stone being next, speaking from memory, about $300 or $400 more on what is really a very large contract, you know.

Q. The American companies' tender were all higher? A. All higher, yes.

Q. And the Mortimer Company higher? A. Higher, yes.

Q. Can you remember how the Toronto Lithographing Company's tender compared with the tender they gave Mr. Cook? A. It was the same, it was a repetition.

Q. It was a repetition. Then the amount of difference in price at which the Montreal company is now doing it, and the price at which the Toronto Lithographing Company offered to do it in 1910 is a mere bagatelle? A. A mere bagatelle.

Q. Have you yet received any proofs of the work of the Montreal Company? A. Yes, their work is in progress, we have received proofs.

Q. How do the plates compare in quality with those done by the Toronto Lithographing Company? A. I am unable to tell that. All I know is that these proofs come to us, they are sent to the experts in the Department of Agriculture, the Seed Branch, and thus far they have been accepted, and I take it to mean that the work is being satisfactorily done.

Q. You don't mean to be taken as an expert? A. As to the relative merits of the two I cannot do that.

Q. Now has the Toronto Lithographing Company made any demand upon the Bureau for damages in relation to the first arrangement? A. No damages, it has made a claim for the paper furnished, with naturally interest on it. The account has been running nearly two years, and they have made a claim, but for what work they

have done I would not be so sure of this. I have not seen the account for some little time. The matter has not been adjusted, I am waiting for Mr. Stone to come down. In discussion, they said they would make a claim for their profit, but I am not sure whether that is in the invoice or not. I am under the impression it is not.

Q. The profits they might have made? A. Might have made.

Q. So far as the paper is concerned, you got it and kept it? A. We have it.

Q. And of course they should be paid for it, that is being used I presume? A. We are going to use it when this work is ready.

Q. What became of the paper which went directly to the Toronto company for the plate work? A. It is in their possession yet, but when it is paid for it will be subject to our orders, it will be sent to Montreal.

Q. And the claim for interest is because they expended money in buying it, and have not been paid? A. Have not been paid.

By Mr. Lake:

Q. It will be sent to Montreal? A. If the printing is done in Montreal.

By the Chairman:

Q. In the examination of yourself before Mr. Murphy, I find both in the questions and in the answers by you a considerable amount of insistance on the word 'contract' as to whether a contract had been made with the Toronto Lithographing Company Now that the word is open to misunderstanding and to two meanings. First, so far as the word may mean the written evidence of a contract signed—A. That is what I had in mind, of course.

Q. So far as you knew then, or know now, no contract was ever signed with the Toronto Lithographing Company? A. No, no written order.

Q. You know now there was no written contract and no written order? A. No written order.

Q. I find reported on page 272 of the inquiry, a question by the minister, "Now my information is from Mr. Stone of the Toronto Lithographing Company, that some five or six weeks prior to the time at which these prices were obtained by Mr. Cook," meaning by "these prices" the prices obtained from the American and other firms, "the contract for the work had actually been given to the Toronto Lithographing Company. Is that correct?" to which you answered, "Not to my knowledge. Mr. Cook did not lead me to believe anything of the kind. I think he said that a contract could be made on such and such a basis, but there was certainly no contract made with my authority, or as far as I know, with yours." Now you are using that word "contract" in the sense of? A. Of a formal written order or written contract.

Q. I suppose, Mr. Parmelee, the truth is that in handling that matter you relied very greatly on Mr. Cook? A. Naturally, I had confidence in his juqgment and experience.

Q. You found him in the office when you went into your present position as King's Printer in 1910? A. Yes.

Q. You knew he had been there a considerable time and had experience of the work? A. Yes.

Q. And you had not had much experience of the work at that time? A. He was specially commended to me by my predecessor, Dr. Dawson, as being a very able and very faithful official, which I always found him to be.

Q. Believing him to be such, and your own experience showing him to be such, you left the management of this in his hands? A. Yes, largely.

Q. And you intended, I presume within reasonable limits, he should exercise authority and get the work done expeditiously? A. Certainly.

Q. And up to the time of this inquiry you did not believe that Mr. Cook had been guilty of any bad faith towards you or the department? A. None whatever.

Q. Do you believe it yet that he was? A. I do not.

Q. The situation was such at that time that you were anxious to push the work? A. Certainly.

Q. You knew that the Toronto company were capable of doing first-class work, and you believed that their prices were reasonable, and that the firm was an honourable one. You were satisfied then under all the surrounding circumstances that what was done was properly done? A. Yes, properly done, only requiring the approval of the minister to put it into proper effect.

Q. Are you still satisfied that what was done was properly done? A. I am satisfied that if the tender had been accepted at the time, it would have been done months and months before it was, and taking everything into consideration, the saving would have been considerable.

Q. So far as these formalities are concerned in not obtaining the approval of the minister step by step, they were not intentional disobedience? A. No, on the contrary they were all done with the idea of securing the most satisfactory service, and were done along the lines of practice of the department for many, many years, and there was no idea on the part of Mr. Cook or myself to deceive the minister or even to withhold information from him. We treated it up to that point as the ordinary routine of doing business with outside people. To go back a little, the *Farm Weeds,* of which we have spoken, the best publication, I think, of its kind in the world, had been done by the Stone people after other firms had been given an opportunity. The only firms in Canada who could do it had been unable to do it, and had given it up. The Stone people took hold of that and after some difficulty—they had some difficulty in getting proper artists, it is an entirely new class of work—they turned it out to the satisfaction of everybody, and to the satisfaction of Mr. Fisher, and one of the things Mr. Fisher insisted upon was that he should have a work equal in every respect to *Farm Weeds,* Mr. Cook assured me from his experience that nobody but the Stone people could do it. The only thing was that we get the work at a price fair to the government. That is the whole story. The whole procedure might have been a little irregular, that is taking a technical view of it, but instead of being bad faith, there was good faith and a desire to serve the Department of Agriculture and to discharge our duty to the very best of our ability.

By Mr. Ducharme:

Q. And as far as you know, the same used to be the practice? A. Yes, that is the old practice.

By the Chairman:

Q. You have just said in this matter that you and Mr. Cook acted according to the constant practice of the department? A. Yes.

Q. You had not then been in the practice of getting the approval of the Secretary of State for the work you did from time to time? A. Not in Mr. Scott's time, that was never exacted. In this connection it was the intention—I thoroughly understood that when it got the approval of the minister, the amount being over $5,000, we should go through the formality of securing an Order in Council.

Q. And that, of course, you expected to get when? A. When we got the minister's approval. Then I would make a recommendation to Council respecting all the circumstances, and the prices we obtained, and all about it for the approval of Council.

Q. But in making arrangements beforehand it would not be according to practice to go and bother the minister about every step of the way? A. No.

Q. This attitude of Mr. Murphy towards this matter and towards you in this matter, came then as a surprise to you? A. It did.

Q. It seemed to be much more exacting in its nature than anything you had done up to that time? A. Yes.

Q. The next question I want to draw your attention to is this, some time in June, the 9th as it appears, 1910, you received a letter from the minister asking for a copy

of the letter sent by Mr. Cook to all the business houses from whom he asked prices for the edition of *Farm Grasses*; you remember getting a letter? A. Yes.

Q. And then you returned a file with a letter attached to the face of each tender, ending with your signature, and marked "copy". You remember that? A. Yes.

Q. In your examination in July, 1910, you were asked about this matter, and you explained—when you received the letter of June 9 you had a consultation with Mr. O'Connor about it, was that the date? A. About that date.

Q. It must have been that date, because it was June 9, and you replied the next day almost. After receiving the letter of June asking for the file of letters, did you see and discuss the matter with Mr. O'Connor? A. I did, to the best of my recollection, Mr. O'Connor came down before that letter was written I think, with a letter from Mr. Murphy in his own handwriting, something to this effect, that if letters formally asking for tenders to those people had not been written they must be written. I think that was the purport. Of course that letter I have not got. That is not on any of our files, and I understand from that, that what he wanted in connection with the file was some evidence that those people had been asked for tenders. After consulting Mr. Cook I decided that they had undoubtedly been asked to tender, and I wrote this letter confirming the invitation to tender. Mr. Murphy made a great point of the fact that I dated it back when the invitation was given. Whether that was the right way or wrong, there was no bad intention on my part or Mr. Cook's. It was simply that these people would know.

Q. Some time before the letter dated June 9 from the minister to you asking for the file, Mr. O'Connor had brought you a private letter from Mr Murphy? A. Yes.

Q. Which is not on the files? A. Not on the files.

Q. Asking you to do what? A. If I can remember exactly the language, it was this, if the parties asked to tender have not already been asked in writing, it should be done, or something to that effect. I took that to mean that he wanted that on the file to show that they had been asked to tender. The invitation having been oral. Mr. Cook having gone to these people with the contracts and the specifications, they had nothing in their possession to show that they had been invited to tender officially and there was nothing on the files either and after consulting Mr. Cook we drafted that letter, and we dated it about the time the oral invitation was given.

Q. Mr Murphy had been informed by Mr. Cook, and you in your interview with him, when you were reporting the prices that had been got that those prices had been obtained verbally? A. Yes.

Q. Consequently when he asked you it was later on. He wanted something to put on the files to show that these people had been invited. Whatever was done would have to be done, but that was later than the verbal offers of which you were speaking? A. Of course I cannot say what was in his mind, but what was conveyed to me in the letter was that he wished to have an official letter on the files showing that these people had been legally invited to tender. I was sure that they had been invited to tender, and we drafted that letter and sent it to the firms in confirmation of the oral invitation to tender.

Q. Mr. O'Connor brought that to you at the Bureau? A. Yes.

Q. Mr. O'Connor is employed in the State Department, is he not? A. Yes.

Q. And you and he discussed as to what was necessary? A. I presume I did. I didn't expect to get much information from him. I may have discussed it with him to see what the minister meant. What I did draw from it was my own conclusion. I was not guided by anything he told me. What he did tell me I have forgotten.

Q. It was your own conclusion from the letter? A. From the letter.

Q. And therefore the decision to write a letter and date it back was your thought? A. Yes.

Q. And your own device? A. My own device.

Q. That could not deceive the minister, because he knew that the tenders had been obtained verbally? A. I presume he knew it, but I did not know that he knew it.

Q Doesn't it appear from the fact that he asked you to put something on the files to show what had been done that he knew it had been done verbally? A. I do not know what was in his mind.

Q. Now, then, these firms receiving in June a letter dated April would naturally be puzzled if there was no explanation? A. I think the letter, the contents of the letter, would explain it, wouldn't it? I have not seen the letter for so long I have forgotten it. It was our intention as evidence to them that we were acting in good faith and that they should have some official evidence that they had been invited to tender.

Q. Let me see the file, please, containing the letter written to these people? A. So far as I recollect the letter, its whole purport was to advise those firms that the oral invitation to tender on this particular work was confirmed by this official letter I was sending them, so they would have some evidence that they had been invited to tender.

Q. Mr. Daly says he can find no letters on the file to American firms. If there were any such letters to American firms can you account for their absence or their whereabouts at the present moment? A. No sir, I cannot account for it.

Q. Do you know if anybody had them out of the Bureau? A. Yes sir, the minister had them.

Q. In 1910, about the time of the inquiry? A. Yes, sir, he had the files, I do not know if he had those letters.

Q. Wasn't a letter sent to the Mortimer Company, of Ottawa, in the same manner asking them for prices? A. I do not say, I do not think the wording was the same, but the meaning was substantially the same.

Q. I did not ask you as to the wording of the letter, I asked you if a letter was not sent? A. Oh, yes.

Q. In other words, in June, 1910, a letter dated April 20 was sent to the Mortimer Company concerning prices for *Farm Grasses*? A. Yes.

Q. And the object in sending that letter was the object you have described, of placing the letter on the file in pursuance of what you understood to be the wishes of the minister? A. Yes.

OTTAWA, April 20, 1910.

GENTLEMEN,—

"I take pleasure in submitting for your inspection 27 drawings of *Farm Grasses*. If after examination you desire to put in a tender for the engraving and litho. printing of an edition of same in accordance with the specification hereafter attached, same will be given due consideration when the time comes for placing the order."

Yours truly,

(Sgd.) C. H. PARMELEE,
King's Printer and Comptroller of Stationery.

That letter is addressed to the Mortimer Company, Ottawa, Ontario. Now in effect the letters to the American companies were of the same tenor? A. Yes.

Q. And your only object in sending the letters at the time they really were sent was to get on the file in some written form what had really taken place? A. What had really taken place.

Q. Then it would be necessary, would it not, sending these letters two months after they were dated that some explanation should be made to the recipients of the reason why that letter was sent to them? Yes, well, I fancy in the case of the Americans to the best of my recollection the letter did show why it was sent.

Q. The letter itself? A. That is to the best of my recollection, I cannot swear to it. Of course the Mortimers are in a little different position, they are in the Bureau every day, they know just how we do business. The Americans are in a different

position. The invitation to tender opened their eyes, and they expected great things from it.

Q. I want you to charge your memory, don't you know from what you have heard since that the letter to the American companies was accompanied by a covering letter from Mr. Cook, sent by himself explaining why these ante-dated letters were sent? A. Yes, I remember.

Q. You remember now? A I remember now perfectly well. That is where I got the two things mixed. I knew the communication we had with them explained why this letter was sent, but I thought it was in the letter itself. I know now. This was a covering letter from Mr. Cook, whom those people had met personally.

Q. For the purpose of carrying out your idea of correcting the file, the original letter, or rather the letter sent and signed by you could not contain such a statement? A. No.

Q. Because, dated as such a letter would be, April 20, you could not explain that on June 9 you wanted to correct your file? A. No.

Q. Consequently some sort of covering letter explaining the transaction was necessary? A. That is so.

Q. And such a letter Mr. Cook sent? A. Yes.

Q. In sending that covering letter he would be merely carrying out the design you had in meeting the minister's wishes? A. Precisely.

Q. These parties had all made a tender in writing at the time of the verbal offer to them? A. Yes.

Q. And in June, getting the letter dated April 20, but at the same time getting Mr. Cook's explanatory covering letter, they made no further reply at that time? A. No.

Q. Now, in that matter, both you and Mr. Cook acted with the best intentions, didn't you? A. Certainly.

Q. You had no intention to deceive anybody whatever? A. No, certainly not.

Q. You only wanted that the file should be as perfect as it could be made? A. That is it exactly, as a record, that is what took place.

Q. And the method of doing that is entirely your own conception? A. Entirely.

Q. You believing that you were obeying the minister's wishes in that matter? A. Yes, and at the same time doing no injustice to anybody, or deceiving the minister or the firms or anybody else.

Q. And not trying to cover up anything? A. No.

Q. In the examination in July 1910, the minister asked several questions directed to show how persons receiving in June a letter dated in April would think that the department are gone crazy. You remember those questions? A. Yes.

Q. Is it a sufficient answer, does it not explain that, that the covering letter would apprise those people receiving these letters of the object of these letters. That explains all the difficulty in the matter? A. Yes.

Q. Mr. Cook's covering letter deprived the transaction of that view which otherwise might have been taken of it? A. That is the view with which it was done.

Q. I mean the view that the persons receiving the letter would be astonished? A. Absolutely.

Q. Did Mr. Cook on his visit to Toronto, when he went to get the drawings and to carry them on, to get prices from the other people, tell the Toronto Litho. people not to proceed with the work? A. I have no personal knowledge.

Q. When he came back, did he report that to you? A. I presume so, I cannot recollect all those things. All those things, the relations between Mr. Cook and me in these matters, were verbal in the course of discussions and consultations, so I cannot charge my memory with every detail.

A. Your Bureau has a great number of people employed? A. Yes, we have 900 people.

Q. And a tremendous amount of detail? A. An enormous amount of detail.

Q. You must find it extremely hard to remember very clearly matters that happened some months ago? A. Well, when I meet 25, 30 or 40 people a day, I cannot remember everything.

Q. You don't pretend that your memory for these matters is very clear? A. Not at this distance.

Q. Well, I want particularly to draw your attention to a matter mentioned in the inquiry of July 1910, namely, some correspondence with a New York firm named Stahl & Jæger. On the 24th May, that firm wrote to Mr. Cook asking him to advise if the contract for *Farm Grasses* had been given out, and on 25th May, 1910, Mr. Cook replied to that firm. The correspondence appears on page 7735 of Vol. IV. of Hansard, 1910-11. In his letter Mr. Cook says: "The contract has not yet been awarded." That was true wasn't it? A. That was true.

Q. "As soon as the successful tenderer is known, he will be advised of the fact." Until Mr. Cook was suspended, and for a long time afterwards, no tender was accepted? A. None accepted.

Q. In view of all that had occurred, do you see any misstatement in those quotations from Mr. Cook's letter? A. None whatever, it was the only possible letter he could write under the circumstances.

Q. On one occasion the Gananoque *Reporter* was given a contract to print some immigration pamphlets? A. Yes, sir.

Q. And it has been explained, and I presume is the fact, that the work was given to the *Reporter* after Mr. Cook had mentioned the matter to you? A. Yes, with my approval.

Q. According to the practice of the Bureau at that time, was work of that kind done in the Bureau, or done outside? A. Both. We are supposed to do everything in the Bureau we possibly can. Outside orders depend on the state of work inside the Bureau. Immigration pamphlets to a large extent have been given out, though we do some in the Bureau.

Q. Can you remember at that time whether you were filled up with work in the Bureau? A. We were.

Q. And consequently you would be giving that work out to somebody in any case? A. Somebody in any case.

Q. In giving work of that kind, do you proceed invariably by tender or contract, or how? A. That depends. We do where it is possible or where it is necessary. In the case of these immigration pamphlets, they are to a large extent repeat orders, and prices have been fixed already in the past by competition. We have the records, and know what they have cost in that way, and in a case like the Gananoque *Reporter* we give it out at the competitive prices.

Q. Is there anything in the law which requires that you shall put such work up to tender or contract? A. No.

Q. Whether you do or not is entirely a matter of discretion for you? A. Discretion, yes, that is under $5,000. I think work over $5,000 requires an Order in Council.

Q. Is that regulation made by an Order in Council? A. Order in Council. I believe it may be in the Public Works Act.

Q. You understand there is a regulation of some department requiring that work bringing more than $5,000 for one job shall be given out by tender or contract? A. Yes, by contract.

Q. But apart from that, you know no law that requires that they should be given out by tender or contract? A. No, I do not.

Q. And as a matter of fact you give out large quantities of printing under that stipulated sum from time to time without tender or contract? A. Without tender or contract, though as far as possible, where the circumstances call for it, we get these competitive prices and the lowest competitor receives it. We have always to keep in

view—lithographing is different from other classes of work—we have to judge the offices that have the facilities. It would be nonsense to ask an office to tender on a job when we know perfectly well it has not the plant or the facilities for and cannot give us the service we must get. The service, that is the first idea, so in receiving tenders or prices we go over carefully the lithographing establishments that have the facilities for doing our work, then we ask them for prices and we see to getting the service we ask for at the least possible cost.

Q. This work you gave to the *Reporter* would not be litho. work? A. No, plain printing.

Q. I am asking whether, as a matter of fact, a large quantity of plain printing work is done outside without tender or contract? A. A good deal is done, in two ways, by tender and contract where it is possible to get prices in that way, otherwise by a scale of rates fixed by the King's Printer which on the whole are lower than the current commercial rates operating in Montreal, Toronto and Ottawa.

Q. To go further still, as a matter of fact a large quantity of work is given out by the department as to which the price is fixed by arrangement between the Bureau and the printer? A. Yes.

Q. Of course in that case you are governed by previous prices for the same kind of work, and by your own judgment in the matter? A. Yes.

Q. But a large discretion has in practice to rest with you as superintendent, or rather as the King's Printer? A. Yes.

Q. Now in that matter the superintendent of printing in the department is merely a superintendent of work done in the department, is he not? A. Of course the King's Printer is the head of the department, not the political head, the Secretary of State is the political head. The King's Printer is the superintendent of printing although the Act seems to give the superintendent of printing pretty large powers too.

Q. The Public Printing & Stationery Act, Chap. 80, R.S.C., by section 16, seems to provide that the Printing Bureau shall do all printing? A. Well I presume that was the intention, though they never provided the plant with the facilities to do it.

Q. That section says, "In which establishment all printing, electro-typing, stereotyping, lithographing and binding, and other work of like nature required for the service of Parliament and the several departments of the Government shall be executed". A. Yes, and there is another clause, a modifying clause, which says that the King's Printer shall print or cause to be printed. That clause 16 is impracticable for the mere fact that the government has never provided any lithographing plant or facilities.

Q. You say that clause 16 is impracticable because the government have not provided plant to do lithographing. Will you find that other clause for me? A. There does not seem to be any modifying clause in this Act (referring to the Public Printing and Stationery Act) but it is absolutely impossible to carry out that clause. We carry it out as far as possible.

Q. Then in handing the work out to the Gananoque *Reporter* you followed the practice, before and after, of the Bureau? A. Yes.

Q. You satisfied yourself that the price was reasonable and fair? A. That the price was fair and reasonable.

Q. Later on, the work for which the *Reporter* was paid turned out to have been done by the Ottawa *Free Press*? A. Yes, sir.

Q. You did not know at the time that the *Reporter* was given the job that the *Free Press* was going to do the work, did you? A. No, sir.

Q. So far as you know, that was a subsequent arrangement made between the *Free Press* and the *Reporter*? A. Yes, absolutely.

Q. It is not unusual for persons getting contracts to subsequently get some person else to do the work, is it? A. No, it is not unusual. Of course we cannot in any way prevent it in all cases, but we intend to give it to the people who intend to do it

themselves. But I cannot help it, once the order is out of my control the man having it can dispose of it, and I would be helpless to prevent it, providing he furnished what we had ordered.

Q. In your contracts with people for doing work you are not in the habit of providing clauses to the effect that they shall do the work and not get anybody else to do it? A. No, we do not find it necessary.

Q. You merely say that if you knew in giving out a contract that the man was going to get somebody else, you would assume that the man was doing it at lower prices? A. No, I would not give it to a man with the understanding that he could farm it out.

Q. But having got what you considered a proper price for the work, if the man afterwards got somebody else who was willing to do it for a less sum, that would not seriously injure the Bureau in any way? A. No, because we have taken care to get a fair and reasonable price.

Q. Certainly. As a matter of fact it might happen that after you had given out a contract at a fair and reasonable price, somebody else would take the sub-contract at a lower rate in consequence of some peculiar condition in which that person might be at the time? A. Yes, and that is particularly true of the printing trade.

Q. For what reason? A. In a great many large offices there is not a steady flow of work, and there are times when they are very anxious, when the presses are half idle, instead of turning men away and keeping the machinery idle, in these circumstances they will do the work at cost or less.

Q. And such jobs taken to fill up their spare time are commonly known as fillers, are they not? A. As fillers.

Q. In the trade? A. Yes.

Q. It does not follow therefore that the man who actually does the printing actually makes any money? A. No, it does not follow, if he is willing to take a job at that price.

Q. In what took place regarding the Gananoque *Reporter,* in view of your knowledge since that time, do you see anything wrong in that matter? A. I certainly do not.

Q. The knowledge that the *Free Press* did the work came to you later than the contract? A. I never could see that it made any difference. We had taken all the proper precautions and if this had been farmed out we could not help it. We had to pay the price and that is all about it.

Q. And if you had known it you had no power to interfere if you had desired to do so? A. None, whatever.

Q. In spite of the precautions you take in such matters, it is not unusual for work to be farmed out, as it is called? A. I would not say it is not unusual.

Q. Cases would occur? A. Cases would occur. We cannot prevent them unless they become common.

By Mr. Ducharme:

Q. Did that contract cost any more with the *Free Press?*. A. I do not know. It did not cost any more than we had been able to get it by competition previously. It would depend on circumstances. If we had asked the *Free Press* at the same time as the Gananoque *Reporter* if they were very busy it is probable they would not be able to do it at that price. If we went to the *Free Press* when they were actually out of work, and we could drive a hard bargain—but we do not drive hard bargains in that sense.

Q. But from your general knowledge of printing matters, was the price given to the Gananoque *Reporter* the ordinary price? A. The ordinary price, a fair and just price.

By the Chairman:

Q. Our attention is drawn to a letter dated 10th December, 1910, addressed to Messrs. Stone, Limited, Toronto, that is the Toronto Lithographing Company. An

endorsement is placed on the corner of that letter "Received from Mr. Mulvey, December 16, 1910." A. What is the date of the letter?

Q. 10th December, 1910. This seems to be a copy of a letter which you were requested to sign and send. A. In connection with the *Farm Grasses.*

Q. Yes, in connection with *Farm Grasses.* You might just look at it. A. These specifications were prepared by E. G. O'Connor, who was a typographical expert employed by Mr. Murphy. He prepared these specifications, and these were sent out to the Stone people amongst others.

Q. He prepared this letter? A. Yes, it was sent to all those people.

Q. This is not a specification that has been sent to everybody. It is a special letter sent to the Toronto Lithographing Company? A. Oh yes, I see, that is right.

Q. That letter dated December 10, wes sent to you by Mr. Mulvey from the Secretary of State's Department? A. Yes.

Q. Did you sign it and send it? A. I did.

Q. Knowing anything about the matter yourself or merely because you were requested to send it? A. Because I was ordered to send it.

Q. I find this paragraph in that letter to the Toronto Lithographing Company which you sent, "As you have been informed, Mr. Cook's positive instructions were that this work was not to be awarded until after the receipt of competitive tenders based upon properly prepared specifications." Of course that statement in the letter was drafted and sent to you? A. Yes.

Q. And the language is the drafter's and not yours? A. Not mine.

Q. The statement to the Toronto company that it had been informed about Mr. Cook's positive instructions does not refer to anything that you have control of? A. No information came from me.

Q. And you have no information that the Toronto company were so informed? A. They were not so informed through me.

Q. You had no information that they were so informed? A. No, none.

Q. So far as you know personally, Mr. Cook did not receive positive instructions that the work was not to be awarded until after the receipt of competitive tenders based upon properly prepared specifications? A. No.

Q. Then, Mr. Parmelee, this method of putting a draft letter in your hands, and asking you to sign it forced upon you the duty of making statements which were not voluntary? A. No, they were not voluntary.

Q. I find a further statement in that letter, "A further reason for calling tenders is provided by the fact that the Bureau was informed by several of the prospective competitors that better prices can be submitted by them if the specifications are not restricted as to the size of sheet, number of printings, &c., but be left to the discretion of the various tenderers as to how the work should be done". Now had the Bureau meaning yourself, received any such information? A. Yes, I cannot say just exactly what American firms. The Matthews & Northrup people called me over the phone from Buffalo to say that if they could be allowed to say how many printings would be required to get the results, they would be enabled to tender lower than under our specifications.

Q. That would be one. Would there be several? A. That is the only one I have a recollection of now.

Q. That Matthews, Northrup Company had a special process of their own, hadn't they? A. I do not know. Of course we had to follow in this matter the opinion of the agricultural experts, and they claimed you could not get what they required, bringing out all the lines and everything, without eight or nine printings.

Q. I find this statement in a letter sent by you dated October 20, 1910, to the Matthews Company: "However, you stated at the time," the time meaning months before, "that your prisma process was superior to the lithographing process." Conse-

quently that was a special process. A. We could not accept a tender by that process in comparsion with other tenders.

Q. That was the only possible competitor who had mentioned anything to you? A. To me.

Q. Then we come to this, "Better prices can be submitted if the specifications are not restricted to the size of the sheets." Would it be possible to have tenders without restricting the size of the sheets? A. I do not think so. We expect to get the size of the sheet. The size of the book is decided by the department.

Q. You would have to know the size of the sheet? A. Certainly.

Q. You could not leave it to the lithographers to decide the size of the sheet?

By Mr. Lake:

Q. You spoke of a Mr. E. G. O'Connor, what was his position? He has no position, he is employed as an expert in connection with the inquiry by Mr. Murphy.

Q. Has he any position in the Civil Service of Canada at all? A. No. He was supposed to have some knowledge of the printing and lithographing business. Mr. Ducharme no doubt knows him. He was with the Montreal *Star* and afterwards with the *Herald* and subsequently with the Berlin Lithographing Company, but he has not been connected with the trade for many years. He was selected by Mr. Murphy as an expert.

Q. Do you know from what date he was employed by Mr. Murphy? A. He first came to the Bureau some time in July, 1910, but he did not devote himself to the work continuously. He would come for some weeks for one day, some weeks for two or three days The thing was not actually closed up until last October.

Q. This letter, in regard to which you have been giving evidence, the letter of October, 1910, you say was drafted by Mr. O'Connor? A. I fancy so, to the best of my recollection it was drafted by Mr. O'Connor.

Q. It is a letter in connection with the routine work of the department, is it not? A. No, it refers entirely to this special case of *Farm Grasses,* at taht time it was still in the hands of the experts.

Q. When this letter came down to you from Mr. Mulvey, you understood it to be a letter sent by the personal direction of the minister? A. Of the minister, yes.

Q. Had Mr. Mulvey any status in connection with the Printing Bureau? A. None whatever.

Q. This Mr. O'Connor you have been talking of is not the gentleman of that name in the State Department? A. No.

By the Chairman:

Q. You are a deputy minister? A. I am.

Q. And you are the only head of the Printing Bureau, under the minister? A. Under the minister.

Q. Your responsibility is directly to the minister himself? A. Precisely.

Q. Without any intermediary? A. No intermediary.

Q. And all the officials of the Printing Bureau are under your direct control? A. Direct control.

Q. Now is it proper that any directions should be conveyed to any of the officials of the Bureau except through you? A. No, of course as a matter of departmental convenience between the department and the Bureau, the Bureau serves all departments, but anything concerning the general administration and policy has to come through me.

Q. And for the sake of convenience, you permit in an informal way direct communication not to come through you, but where a dispute arises, or a difference of opinion between an official under you and an official of the department as to the proper way of doing something in your Bureau—A. That comes under my control, and is referred to me.

Q. And should be referred to you? A. Yes.

Q. Nobody else in the world has a right to go in and order that official to do anything he does not wish to do unless the matter is referred to you? A. Unless it is referred to me.

Q. Mr. Cook says that in 1910, on the very day of his suspension, Mr. Mulvey of the State Department asked him to send a remittance of $5,000, or rather to certify for the remittance of $5,000, to the Montreal *Herald*? A. Yes.

Q. Was the matter mentioned to you before it was mentioned to Mr. Cook? A. No.

Q. Was it mentioned on that same day that Mr. Cook had been asked to sign it? A. I think it was mentioned whether by Mr. Mulvey or Mr. Cook, I know what I did that day, I could not send the money until I had the proper accounts.

Q. Well, on that day that Mr. Mulvey spoke to Mr. Cook about it, the proper accounts were not in the Bureau? A. No.

Q. When you say the proper accounts, you mean the accounts which it was the practice of the Bureau to require before remitting money? A. No, I mean this, the work was practically completed and I wanted the full account to make one transaction of it instead of remitting $5,000, and leaving unfinished a part of the business. I wanted to certify—it was for the Immigration Branch—I wanted the accounts to go to them and be certified, and come back, and so be paid in the ordinary way.

Q. You subsequently got these accounts? A. In the next three or four days. I myself was anxious to facilitate payment, it was soon after the calamity that befell the *Herald*, and there was no desire to hold it up. On the other hand, I thought it best to do it that way.

Q. In the circumstances as they did in fact exist at that time, was Mr. Cook justified in refusing to certify for the payment? A. I think he was unless he had my approval. He came to me.

Q. He had your approval of it? A. And consulted me about it.

Q. I am speaking now as to the fact. A. If Mr. Murphy sent down an oral order to do a certain thing, it would be my duty to do it unless it was something dishonourable.

Q. Would it be Mr. Cook's duty without referring the matter to you? A. No.

Q. He could not take upon himself the responsibility of neglecting any directions of the department without your approval? A. No.

Q. And knowing the circumstances as you do now, and knowing all the procedure and the whole surroundings at that time, was Mr. Cook right in saying then, "I cannot certify until I receive the receipts and vouchers."? A. He was perfectly right.

By Mr. Lake:

Q. Even when Mr. Mulvey came to him and said, if he did say, that he conveyed the minister's direct instructions to Mr. Cook that he was to send that money, would Mr. Cook be justified, would he be doing his duty in saying, "I cannot do it without Mr. Parmelee's sanction?" A. That is rather a fine question.

By Mr. Ducharme:

Q. Unless they were in writing? A. They were not in writing.

By Mr. Lake:

Q. With reference to Mr. Cook's suspension why did you suspend Mr. Cook? A. I was ordered by the minister, it was not my instruction.

Q. Had you written instructions? A. No, over the telephone.

Q. You had a telephone message? A. Yes.

By the Chairman:

Q. From whom? A. From the minister.

Q. Himself? A. Himself.

By Mr. Lake:

Q. You knew his voice, you knew it was he? A. Oh yes, quite.

Q. Do you remember the date of the instructions? A. It was on the second Saturday of July.

By the Chairman:

Q. Saturday, 9th July, 1910, and it was late at night? A. No, it was at noon.

By Mr. Lake:

Q. Were you aware that Mr. Mulvey had been in your department? A. I do not think on that occasion I was aware.

Q. Did Mr. Murphy give you the reason over the telephone why he instructed you to suspend Mr. Cook? A. No reason.

Q. Did you ask the reason? A. No.

By the Chairman:

Q. Were you ever given the reason? A. No.

By Mr. Lake:

Q. When you wrote the letter dismissing Mr. Cook, upon what grounds did you write that letter? A. I was instructed to do it.

Q. Were you instructed in writing? A. Now I cannot remember whether I was instructed in writing or whether I was instructed in the minister's office.

Q. If you were instructed in writing would it be on record? A. Yes, it would be on record, but my recollection is that I was not instructed in writing.

By the Chairman:

Q. The dismissal was not your voluntary act? A. No.

Q. Were you asked to concur in it? A. I was not asked to make any recommendation in respect to it.

By Mr. Lake:

Q. Were the reasons given you verbal or written as to why Mr. Cook was to be dismissed? A. No.

By the Chairman:

Q. Was your opinion asked as to his usefulness or otherwise in the department? A. No.

By Mr. Lake:

Q. Was there any Order in Council passed as far as you are aware dispensing with Mr. Cook's services? A. I suppose there must have been, he was in the service.

The CHAIRMAN: I have not yet seen it.

WITNESS: I have not seen it. I would not say that, I cannot recollect.

By Mr. Lake:

Q. Have there been many other cases since you have been King's Printer of dismissals in your department that have been ordered by the minister? A. They were all ordered by the minister direct, that is, all that took place at that time in that connection. Of course I have dismissed employees for misconduct myself in the general administration but they were paid out of the King's Printer advance account, and I had perfect authority to deal with them. But all that were dismissed from the Civil Service.

By the Chairman:

Q. Who were officials of the service? A. Officials of the service were dismissed by the minister.

By Mr. Lake:

Q. Had you occasion to recommend dismissals for failure of duty to the minister, would that be the regular routine? A. That would be the regular routine in the case of a man in the Civil Service.

Q. Have you had a case of that kind? A. No.

Witness retired.

WEDNESDAY AFTERNOON, January 31, 1912.

ALEXANDER EDWARD MORTIMER, sworn, (Printer and Publisher, Ottawa.)

Examined by the Chairman:

Q. Is Mr. William Mortimer, your brother? A. Yes.

Q. Where is he at present? A. In Calgary.

Q. Is he there on business? A. No, he is away for his health.

Q. Has he been there for some time? A. Since last July.

Q. And he is not expected to be back soon? A. We do not expect him to be back before next spring or summer.

Q. You signed a letter dated Ottawa, August 16, 1910, to the Honourable Charles Murphy for the Mortimer Company, Limited, and you signed it "A. E. Mortimer, Managing Director."? A. Yes, about that date.

Q. Do you remember that letter? A. I think I know the letter you refer to.

Q. This is the letter that was printed in the evidence in that former inquiry? A. I saw that.

Q. Did you write that letter? A. Well, I signed it.

Q. That is not the question I asked you? A. No, I did not write it.

Q. Who did? A. I cannot say but I have an idea.

Q. Where did you first see it? A. In the minister's office.

Q. In the office of the Honourable Mr. Murphy? A. Yes.

Q. Mr. Murphy was present? A. Yes.

Q. Was it typewritten? A. Yes.

Q. Do you remember what date it was you saw it there? A. I could refer to my notes and find out the date; I think it was in August.

Q. Probably, it was on the day that the letter was dated? A. I think so, I do not remember looking at the date, but I presume it was dated that day.

Q. How did you come to be in the office of the Honourable Mr. Murphy? A. I had been up there more than once but I am not quite sure what I was brought up for that day. I have an idea it was regarding rates.

Q. You think you were sent for then? A. Oh, I was sent for.

Q. You did not go there voluntarily that day? A. Not that time.

Q. Was the letter written while you were there; was it already written when it was shown to you? A. I think it was already written and read over to me.

Q. Were you there any length of time on that day? A. I might have been there an hour, or an hour and a half or so.

Q. You were conversing all that time with the minister? A. Well, there were others there also.

Q. You mean to say there were others present when the conversation was going on? A. Yes, sir. There was Mr. Murphy, Mr. O'Connor, and Mr. Hyde, the two experts and another; there was a man named O'Connor in the department.

Q. Was there a clerk named O'Connor there? A. Yes, there was O'Connor the expert and another; there was a man named O'Connor in the department.

Both of them being present when the minister was speaking to you? A. Yes.

Q. And during the conversation? A. Yes.

Q. Who took part in the conversation? A. All of us, except this O'Connor I speak of, the clerk in the department.

Q. After you went up to the department, did you wait long before you were shown into the minister? A. I cannot remember. There were a couple of times when I was brought right in. I do not think I waited any time that day. There are some times I have waited. It is customary to wait.

Q. But on this occasion the hour and a half you have mentioned was while you were in there discussing the matter together? A. Yes.

Q. And the subject of discussion was the letter? A. That was the first thing, and that was only for a few minutes.

Q. Did you sign the letter at the end of that few minutes? A. Yes.

Q. And then you went on with the discussion of other business? A. Yes.

Q. Did you carefully read over this letter when you signed it? A. I read it over and I stated that if I were writing that myself I would write it somewhat differently. He said: That will answer the purpose, that is the truth practically. I said: It will answer the purpose, but it is a little bald or raw, I forget what word I said, but something like that.

Q. Who said it would answer the purpose? A. The minister, meaning it would cover the truth.

Q. That is the meaning you took from it? A. That is the meaning I took from it.

Q. Now, that letter expresses itself to be concerned with statements made by Mr. Cook to Mr. William Mortimer? A. That is it. It is all hearsay so far as I am concerned, that is, as my brother explained it to me.

Q. On that occasion you had no other information, except of the recollection you had of what your brother had said to you? A. Reported to me.

Q. You are supposed to be writing this letter in August, and the statements which the letter concerned had taken place, in one case, away back in April? A. Around April.

Q. And another portion apparently in June? A. What is the reference to June?

Q. I will draw your attention to that in a moment. When you went up to the department the day you signed this letter, you did not know you were being called up to sign the letter? A. No.

Q. And you had no conversation with your brother about these things on that day? A. Well, that I cannot say, but I do not think I had, not on that matter. I am pretty positive I had no conversation with him on that matter.

Q. As a matter of fact, was your brother in town on that day? A. I am pretty sure he was. I do not think he was away that summer at all.

Q. I notice that on September 26 of that summer he was here, because he gave evidence that day? A. He was only away for a week or so on holidays, I am pretty sure he was here that day.

Q. Can you give any reason why you should sign that letter when your brother could have been asked about it himself? A. No, I cannot give any reason for that, other than this: the matter was pertaining to the business, and I looked on it as a foolish thing for him to do, although he did it in good faith not meaning any harm about it, but he has a very nervous disposition and absolutely he could not face the minister, although I understood they were old school chums together.

Q. Did you mean to say Mr. William Mortimer did not go on that day because he could not face the minister? A. Not at all. I asked him to leave matters to me and I would attend to them. I asked him some time previous.

Q. Had there been any previous intimation to you that you would be asked to sign the letter? A. None whatever.

Q. You told us that the letter was already written when you went in there and it starts out with the statement that at an interview in the Printing Bureau in April last, Mr. Cook stated to Mr. William Mortimer. Now, it was apparent from that that you were expected to sign a letter concerning conversations with your brother? A. As you put it. As I understand it, I was up with the minister before. As you put it this whole thing was sprung on me by the minister, whereas before we had talked this matter over.

Q. I am asking you if you can give me any reason why on August 16 your brother was not asked to state a fact instead of your being asked to state what was mere hearsay? A. I cannot say about that at all. I have no reason for it.

Q. You say this matter had all been talked over between you and Mr. Murphy some days before? A. Yes.

Q. You asked me a moment ago what the reference to June was and I want to point it out to you if I can make it clear. We have evidence here that on the 9th of June, 1910, the minister wrote a letter to Mr. Parmelee asking for the file of correspondence. Then we have Mr. Murphy's letter to Mr. Parmelee, dated June 10, in which he says that in reply to the first letter the file had been sent to him and he found a certain letter attached to the face of each tender bearing Mr. Parmelee's signature and marked "copy." Then in the printed evidence of the inquiry we have Mr. Parmelee's evidence in explanation of these letters marked "copy" to the effect that they were written in June, but dated in April, because the minister about the 9th of June had expressed his desire to have a file of the correspondence containing some memo. of the verbal conversations which had taken place since with Mr. Cook and certain tenderers in April. Mr. Parmelee states that the idea of sending in June these letters dated in April was entirely his own, because he thought that he was complying with the minister's request to have the files made right. Now, then, upon that statement of fact, I want to draw your attention to your letter, dated August 16 in which you say:—

> "At an interview in the Printing Bureau in April, last, Mr. Cook stated to our Mr. William Mortimer that you had given a contract for the edition of *Farm Grasses* to the Toronto Lithographing Company, and that as the contract amounted to more than $5,000 you desired to have on file correspondence showing that you had invited tenders for the work, and that the Toronto Lithographing Company was the lowest tender."

Now, Mr. Cook makes two statements, first, that in April, he did tell Mr. William Mortimer that he had prices from the Toronto Lithographing Company, and second, that in June, when these letters were sent out, dated April, he did explain to Mr. William Mortimer the desire of the King's Printer to have the file of correspondence set right. Your letter refers to both of these things as having taken place in April, last, when it was impossible that there could have been any discussion about the correspondence, because, as I point out, that did not take place until June, as the evidence shows. Now, how did you come to express the letter in such a way as to say that the conversation about the price received by the Toronto company and the conversation about the correspondence file being set right occurred at the same interview in April. You had better hear that question read over so that you may understand it? A. I think I can grasp that. In April we were led to believe we lost this opportunity of doing that lithographing, and it had gone to the Toronto Lithographic Company, also in April, not the same day or anything like that, I understand that they wanted the files complete, not in the same interview.

Q. Now, I have pointed you out this thing, in order to give you an opportunity of straightening it out, because you are not responsible for the framing of the letter the minister having had it prepared. I point out to you from the letter and the evidence, that the desire to have the correspondence set right was not expressed until

June? A. Well now, I understand that this estimate of ours was put in before the minister wrote us the letter, at the same time that he wrote the letter to the King's Printer in June, asking us, on this matter of the tender and also referred to why did we put in a separate price for paper as well as for the lithographing.

Q. Do you mean to say that in June the Honourable Charles Murphy wrote you a letterf about these matters? A. Yes.

Q. Quite so. But don't let us get confused. Perhaps I will be able to draw your attention to it in this way. On page 275 of the blue book containing the evidence at the inquiry, the minister asked the question concerning the correspondence filed:

> "My instructions were to this effect substantially, that as the original instructions given in Mr. Fisher's room had not been carried out, and as there was nothing on the file to show how the transaction began, I wanted a letter written to place on the face of the file, showing what Mr. Cook had asked each tenderer from whom he had asked prices. That was what my letter of June 9 asked for, and its terms certainly did not lend themselves to any such interpretation as was placed on them here."

In answer to that Mr. Mortimer says:

> "Mr. O'Connor was here and what I wanted to get at was just what you needed to complete the file, and Mr. O'Connor came back and said that what you wanted was a letter showing that these specifications and invitations to tender had been submitted to these firms."

Then Mr. Murphy asked this question:

> "Was that your own view or Mr. Cook's?"

and the answer to that question is:

> "It was my own view."

Now, I cite that evidence to you to show you that the action of trying to get the correspondence filed right off took place in the month of June, and I read your letter dated August 16, in which it is made to appear as though Mr. Cook's statements that the contract had been given to the Toronto Lithographic Company, and that it was desired to have on the file correspondence showing the invitations for the tenders, both of these things are made in your letter of August 16 to appear as though they occurred in the same interview in the month of April? A. Well, that I cannot say right off. I know that it was about April that we were told that we could not have the work, that it would have to go to Toronto, and I thought that my brother made up a tender shortly after that. I think the records will show when it was.

Q. That is so, but that is not the point I want you to grasp, that the talk about setting the file of correspondence right was two months after all that had occurred about the tenders? A. Yes.

Q. And that in your letter of August 16 you make it appear as though it had occurred at the same time, and the same interview? A. My letter may be that, but I do not understand it that way. I understood we lost the contract, and it may be a week or two weeks, or towards the end of April, that we were asked to put in a tender to complete the files. That is, as I think it occurred. I think the record would show whether it was done in June or April.

Q. If that paragraph in the letter is open to the interpretation that these things occurred on the same day in April, you are not responsible for the form of that letter? A. No.

Q. And you did not take notice that it conveyed that idea? A. No, I did not take notice it conveyed that idea.

Q. When you received a formal letter from the department, asking you to put in a tender was there any covering letter with it from Mr. Cook? A. When we put in this tender?

Q. No, I do not mean when you actually gave Mr. Cook the figures in the month of April, but when you later received a formal request to date it sometime before you actually received it, asking you to put in something which would set the files right; did you get any further letter, signed by Mr. Cook, explaining why that was needed from you or why this letter had been sent to you? A. I have all that correspondence on my file and I can telephone down and get it up here in ten minutes.

Q. Please do so. You say here in this letter dated August 16: Mr. Cook asked Mr. Mortimer to put in a tender slightly higher than that of the Toronto Lithographic Company—that was all hearsay? A. Yes.

Q. Do you swear now that Mr. William Mortimer told you that? A. Yes.

Q. Was that request, as you understood it, made at the time in April when Mr. William Mortimer was told that the contract had been given to the Toronto company? A. That is what I sent for the correspondence for. I think it was later on, not the same interview.

The examination of the witness was suspended to await the correspondence sent for.

Examination of Mr. MORTIMER, resumed.

By the Chairman:

Q. You have here a letter from Mr. Parmelee dated April 20? A. Yes, there are two of them there together.

Q. I quote from this letter as follows:

OTTAWA, April 20, 1910.

GENTLEMEN,—

"Will you kindly quote a price per pound at which you are prepared to supply paper for an edition of *Farm Grasses* in accordance with specification hereto attached, same to be delivered at the Government Printing Bureau, Ottawa, on or before the 30th of April, 1910."

Yours truly,

C. H. PARMELEE,

King's Printer and Comptroller of Stationery.

"To the Mortimer Company."

Q. Was that letter which I have just read, actually received on the day of its date? A. No. From my correspondence I figure it was not received until June.

Q. And then, when it was received in June, was there an explanation why, although received in June, it was dated in April? A. I think that is covered in the letter signed by me to the minister. There is a copy of it attached to that file.

Q. What I want to get at is this. It was in June that you got a letter dated April 20. Now, naturally, unless you had some explanations why it should be dated two months before, you would be surprised and your letter to the minister dated August 16 referred to some explanation that was given to Mr. William Mortimer. Now, was the explanation which was given to Mr. William Mortimer about this letter dated April 20, given in June or in April? A. Do I understand you, when these letters were handed to us, was an explanation given?

Q. Yes? A. I understand the explanation was given in June, because immediately I opened the mail and got the first letter from the minister, asking us to put in a price,

as soon as I got that in my correspondence, I turned it over to my brother and I said: "here, what does this mean, you had better go down and get an explanation." He went down and received these other two letters.

Q. The letter which you refer to as having started this inquiry by you of your brother is dated 10th June, 1910, addressed to the Mortimer Compnay, Limited, and signed by Charles Murphy, and is as follows:—

"I am informed by the King's Printer that in April last there was sent to you an invitation to tender for a new edition of *Farm Grasses*. As a contract has not yet been entered into I would feel obliged if you would be kind enough to send me a copy of the invitation in question and of any other correspondence on the subject. I understand you were asked to put in a tender for engraving and litho. printing of the edition mentioned, and at the same time you were asked to submit a separate price for the supply of paper required for the edition in question. Be good enough to let me know what in your opinion was the practical effect of asking for two separate sets of prices. Also, what date was set for filling the contract.

"As I wish to deal with the matter on Monday next, the 13th instant, I would feel grateful if you would send me your reply by return mail."

Yours truly,

CHARLES MURPHY.

THE MORTIMER CO., LTD.,
Ottawa.

Now upon receiving that letter you spoke to your brother and asked him what it meant, and your brother went to the Bureau and received the two letters dated April 20? A. That is as I understand it.

Q. That appears to be correct. Then the explanation made in your letter dated the 16th of August, to the minister, in which you say to him: "You desired to have on file correspondence showing that you had invited tenders for the work, &c." must refer to the June explanation given to your brother? A. Well, no, as I understand it, it refers to the June explanation but his conversation came up away back in April.

Q. Which conversation? A. Between Mr. Cook and my brother.

Q. As to price? A. Yes, at the time he put the tender in. I would understand it was that way, that it was away back in April.

Q. How could it be? A. That is the time he asked him for the price.

Q. But you have just explained now that getting the letter in June you asked your brother what it meant? He went down to the Department in June and then got two letters dated in April with an explanation? A. Yes.

Q. Was not that explanation as to why there were given him in June letters that were dated in April? A. Yes, I see what you mean.

Q. The explanation that they desired to complete the file must have been made in June? A. Yes.

Q. As a matter of fact I may tell you that Mr. Parmelee swears it was? A. Yes, excuse me, I misunderstood you.

Q. It is fair to you that I should explain this: That it had been so apparent upon my reading the letter dated the 16th of August, that whoever drafted this letter had put together as one thing two things which had occurred the first in April and the latter in June, and I thought an opportunity ought to be given to you to explain that? A. I see.

Q. Your explanation would be now that if the language bears that interpretation it was a mistake? A. Yes.

Q. And that for that mistake you are not responsible except that you signed the letter? A. Signed the letter, yes.

Q. There is a further proof that this talk about the correspondence must have been in June, in these words quoted from your letter of the 16th of August: "Mr. Cook

added that this correspondence was required in case a question was asked about the matter"? A. As I understood it that is the explanation that was given in April, not that the minister asked it, although you would think it there that the minister requested that these files should be complete, and as it was over $5,000 tenders should be asked. I would not understand it in that way. I understood all along, from some years ago that that rule meant that anything over $5,000 was to be by contract or tender and a lot of it would be taken for granted that these files had to be kept in order. I would not understand that the minister stated that this job was gone to the Toronto Lithographing Company and they had to keep complete files to show there were tenders asked for.

Q. But as a matter of fact, that conversation did not take place and could not take place until June. Please try to grasp the position. In June you received letters dated April? A. Yes.

Q. You draw that to your brother's attention and he goes to the Bureau to find out what the dating back means? A. Yes.

Q. He is told that the reason for it is that they desire to set the files right? A. Yes.

Q. That must have been said in June and not in April? A. That part of it looks right, certainly it was in June.

Q. Mr. Cook stated that this correspondence was required in case a question was asked about the matter—you state that in your letter—now, the correspondence was not required until June, did not take place in fact until June although it was dated in April? A. Yes.

Q. Then Mr. Cook could only have made that statement at the time it was required? A. Yes.

Q. He could not have made it before he asked for the correspondence? A. No.

Q. Then it was evidently in June and not in April? A. Yes.

Q. I was asking you about the end part of the letter. You say: "As the tender of the latter company (meaning the Toronto Lithographing Company) had been placed on Mr. Cook's desk where Mr. Mortimer could see it, the latter copied the figures and returning to our office made up a tender as requested by M. Cook," are you referring now to the figures which were given in April? A. Yes.

Q. Do you mean to imply there that the latter was placed on Mr. Cook's desk in such a manner that Mr. Mortimer could see it for the purpose of allowing Mr. Mortimer to see it? A. No, not for a minute do I wish to imply that, and I do not think my brother did either.

Q. Then you mean to say now, that if the letter conveys that impression that Mr. Cook wilfully put the letter where Mr. Mortimer could see it, you did not mean that in the letter? A. I do not wish to convey that. I only made a plain statement of facts. The letter was lying there, and Mr. Mortimer availed himself of his eyesight.

Q. This is a serious matter for Mr. Cook, you don't mean to imply that Mr. Cook left it purposely there for Mr. Mortimer to see it? A. Not for a minute.

Q. So that there was no collusion between him and Mr. Mortimer? A. I am positive there never was any collusion.

Q. Now, Mr. Cook got prices from the Toronto Company between February 28 and March 2, 1910—the evidence goes to show that those prices were laid before the minister by Mr. Parmelee. The minister objected that further prices should be got; Mr. Parmelee directed Mr. Cook to obtain prices from other people. Mr. Cook then did obtain prices from the Mortimer Company and we have the fact to that point—did you take any part in preparing the prices given by the Mortimer Company? A. No.

Q. It was at that time that your brother saw the Toronto Company's price? A. In April I understood.

Q. And he returned to your office and did he make up your price at that office? A. Yes.

Q. And your company put in a tender dated April 22, 1910, addressed to C. H. Parmelee, to do that work—that letter I find is signed by W. H. Mortimer, Secretary Treasurer—did you and your brother consult over these prices at the time? A. He claims he did speak to me when he was putting the price in but I do not recollect anything about it.

Q. You don't know in that case whether the price was a bona fide one or a bogus one? A. I am not in a position to say that.

Q. Did your brother ever tell you that it was a bogus tender? A. He told me afterwards that it was put in just to complete the files as I explained there.

Q. Now I have pointed to you several times and you must be seized with it now, that the desire to complete the files did not take place until June and the tender was given in April? A. That is right.

Q. Is it apparent from that that the desire to complete the files had nothing to do with giving in April a tender to do the work? A. It was in April that he put in the price; it was in March we knew we lost the work.

Q. It was in March you knew that Mr. Cook had given it to the Toronto company? A. Yes.

Q. But in the meantime, between March and April, the minister had refused to confirm what Mr. Cook had done and directed that prices should be got, and Mr. Cook went to various places and amongst others applied to you for prices because the minister had refused to confirm giving the work to the Toronto company? A. Yes.

Q. Now I ask you this—you did give prices in April? A. Yes.

Q. And the desire to complete the files about which you are talking, was not expressed until June? A. I see it now.

Q. Do you say now in the face of that that the tender put in by your brother was a bogus one? A. No, I would not now. But if it had come to a decision and I had known the work was given to a competitor you bet I would put in a higher price every time. I would protect him, I would not butt in on him.

Q. That is not the position of affairs and I did not ask you that. I repeat: Mr. Cook had told the Toronto company to do the work; upon the figures being reported to the minister he would not even look at it until further prices had been got. Mr. Parmelee swears he sent Mr. Cook out to obtain further prices and in prosecution of that order Mr. Cook applied to your company for prices and the tender signed by your brother dated April 22 was put in at the time when the Toronto job had been stopped? A. Yes.

Q. Away back in June, two months after that, the desire was expressed by the minister to have the files of correspondence set right, but that had nothing to do with the actual offer which your company had put in in April because with respect to that the files were all right at the time. Now I ask you this: From your own knowledge, and you are on your oath, whether you have been told by anybody that when that offer of April was given it was a bogus offer? A. Well, I would call it a bogus offer.

Q. I do not ask you what you would call it; you evidently don't or won't understand—I ask you this plain question: Whether your brother told you that when he gave that offer of April 22 it was a bogus offer? A. Yes.

Q. Given for that purpose? A. Because it was $5,000 and over and they wanted that price so as to have one or more other tenders?

Q. And this is the first time you have offered this explanation? A. I did not understand it that way. I have been trying to impress on you all along that that is the way I figure the thing.

Q. That is the way you figured it, but your brother had given his evidence on oath afterwards and he never suggested that. And furthermore your letter dated August 16 does not give that as a reason. The letter which you signed on the invitation of the minister dated August 16, gives a reason for putting in that tender in April that Mr. Cook desired to have the files of correspondence set right. Now you say

that could not have been the reason in April? A. This is the first intimation I have had that the minister refused to accept the price of the Toronto Lithographing Company.

Q. Don't let us get off this point—don't you see from the evidence and correspondence and the manner in which your memory has been refreshed that the desire to have the correspondence filed set right took place in June? A. Yes.

Q. Don't you see then that the desire to have the correspondence set right expressed in June could not be the reason after having given the tender in April two months before; you see that don't you? A. No, I don't; if you allow me to give an explanation.

Q. I will with pleasure. A. When my brother or we put that price in in April we put it in for as we called it, to complete file. There was a further talk of completing files in June when they had to have one or more tenders in April.

Q. And you say that in April the reason that tender was put in was to complete the files? A. Yes.

Q. Did you read these words: "our figures were not in the nature of a tender but were to be used merely for the purpose of justifying the giving of the contract to the Toronto Lithographing Company"—do you repeat that statement now? A. Yes.

Q. You mean now on your oath to assert that you entered into a piece of deception? A. Well I would not say it was meant for that. It is really what it means but it was never meant for that at all between one or the other of them.

Q. But you were consenting, according to your statement, to put on the files an offer which you never intended to make bona fide? A. You mean that we would have refused to fill the order at that price?

Q. Would you have refused to fill the order at that price? A. No, sir, we would have to fill it.

Q. You would have to fill the order at that price? A. Certainly.

Q. In that sense it was not a bogus offer? A. No, it was not a bogus offer.

Q. The price was actual and real? A. The price was actually real.

Q. The point I want to get at is this: When you did give this price in that tender do you now say you used it merely for the purpose of justifying what had previously been done by Mr. Cook? A. I would say yes, to justify.

Q. Then you were helping to make some evidence to exonerate Mr. Cook? A. Well it looked that way but that was not the intention.

Q. Did you give that offer for the purpose of exonerating Mr. Cook? A. No, I would not say that at all.

Q. In any case that language is the language used by Mr. Murphy in preparing the letter? A. That is his preparation.

Q. And the language is not your choice of language? A. Not my choice of language.

Q. If you had to express it over again you would not have done it that way? A. If I had known it was going to go out in public I would never have signed it, I did not know it was going in print.

Q. You have been placed in a most unfortunate position? A. I can appreciate that now. I was not brought before any investigation commission then.

Q. You were not on oath when you were talking with Mr. Murphy? A. No.

Q. Did he explain to you what he wanted the letter for? A. He wanted the facts.

Q. Did he say what use he was going to make of it? A. He said he was not going to make any use of it, if he wanted the facts he would have them. Remember I knew there was an investigation there at the time and I was not the same as I am now; I was not before an investigator at the time, this was up in his own office.

Q. But when you were asked to sign that letter you naturally hesitated? A. Yes.

Q. And you were told by Mr. Murphy he would make no use of the letter? A. Yes, sir.

Q. If you had thought that use was going to be made of the letter would you have been much more careful? A. I would not sign it. I would say I will take it and write it out myself.

Q. What conversation took place in the minister's office after you signed the letter, what was the conversation about? A. It was principally led off by Mr. O'Connor of Montreal while we were waiting. I said you had better give me a copy of that letter, and he called his stenographer in and was getting a copy made. Then there was some question came up about a 50 cent or a 60 cent rate for composition and he mentioned to the minister that they had made inquiries in the Bureau and that he thought 60 cents a thousand M's was too high. He said he thought it was a fair rate and he referred to me and then we got into some argument and talked about the rate for half an hour. There was nothing more about this.

Q. You have known Mr. Cook in his office in the Bureau for a long time have you not? A. Yes.

Q. And I presume you had a considerable amount of business to do with him? A. I had considerable.

Q. Had you ever any cause to complain of him as a public servant? A. No, not as a public servant.

Q. Have you ever known him to be guilty of dishonesty as a public servant? A. No.

Q. You found him always acting properly; did you ever find him too ready to put your bills through and to pay what you asked? A. I have always found him ready to put the bills through.

Q. If they were right? A. If they were right according to his way of thinking, but we did not always agree on that.

Q. You were not always satisfied? A. No.

Q. When you say you had no cause of complaint of him as a public servant, what do you mean by these words? A. I mean that I thought he was too strict, as I told the minister, and straight-laced.

By Mr. Ducharme:

Q. On the 16th day of August you went to the minister's office? A. Yes.

Q. And you stayed there for an hour and a half? A. Yes.

Q. You said that the letter was signed within the first few minutes that you were there? A. Yes.

Q. And that the main object of the interview had been to discuss something else? A. Yes.

Q. Was it to discuss contracts and that kind of thing? A. It was a general talk regarding prices.

Q. You say the letter was read to you? A. Yes.

Q. Who was it read by? A. The minister.

Q. You signed this letter within two or three minutes of the beginning of the meeting, it being prepared in advance, were the terms of the letter pre-arranged with you? A. Oh no.

Q. You never knew the contents of the letter until the time they were read to you inside the office? A. Remember we had a conversation about it. The minister sprung all this news on me when he first met me.

Q. But the phrasing and contents of the letter were not discussed? A. No.

By the Chairman:

Q. Signing it as you did under these circumstances, the force and meaning of the phrases in the letter did not occur to you at that time? A. It did not occur to me. It looked very much different in print to when it was read to me.

Witness retired.

ROBERT E. COOK re-called:

Examined by the Chairman:

Q. There is one matter I would wish to make clear. On page 271 of the Blue Book of Evidence, when referring to the first interview between the minister, Mr. Parmelee and you over *Farm Grasses*, and the letter which the minister says he wrote to Mr. Parmelee dated March 26, the minister goes on to ask this question: "The next step in the matter, according to my record of it, is that early in April you and Mr. Cook came to my office with some papers and explained to me that prices had been obtained from a couple of Canadian firms and that the Toronto Lithographing Company was the lowest. Do you remember that interview?" Mr. Parmelee's answer to that was, Yes. In a speech of the minister of date April 25, 1911, referring to the same matter he says, "as reported in *Hansard*, some weeks later Mr. Cook again made his appearance in my office and produced a typewritten sheet on which he had placed a list of alleged tenders that he had received for this work. I demanded that I should be shown the invitations to tender and the replies. He did not have either invitations or replies. I then inquired how he got these prices, and he said he had gone around and got them verbally:" Were you present with Mr. Parmelee in the Hon. Charles Murphy's office on the occasion referred to in these two extracts? A. I was not.

Q. Did you see the Hon. Charles Murphy on that occasion at all? A. I did not.

Q. The prices were shown to him by Mr. Parmelee, were they not? A. I believe so.

Q. You understood so from Mr. Parmelee's evidence here? A. I did.

Q. Now, who made up the list of prices which appears at 37 of the Blue Book called, "Summary of tenders received"? A. I did.

Q. To whom did you give that when you made it up? A. To the King's Printer, Mr. Parmelee.

Q. On the printing department file which appears to bear number 11557, there is a tabulated statement similar in terms to the printed statement at page 337 of the Blue Book—is that the original statement provided by you for the King's Printer? A. It is.

Q. And the writing at the bottom of it: "Two-thirds of this lot delivered at Bureau free of freight"—is that in your handwriting? A. Yes.

Q. That would be provided for Mr. Parmelee just previous to the interview between him and the minister at which you were not present? A. It would.

Q. Which was held in the latter part of March or early in April? A. It would.

Q. Do you know Mr. James S. Brierley of Montreal? A. I do.

Q. What is his occupation? A. Managing director of the Montreal *Herald*.

Q. After your dismissal did Mr. Brierley write to the minister about you? A. He did.

Q. Did he supply you with a copy of the letter he wrote? A. He did.

Q. And this is the letter dated Montreal, October 12, 1910? A. That is a copy of it, the copy he sent me. Mr. Brierley asked for the return of the original copy.

Q. Who is Mr. William Briggs? A. He is the book steward of the Methodist Book and Publishing House, Toronto.

Q. Did he supply you with a copy of the letter he had written to the minister? A. He did.

Q. And this is the copy which you now produce? A. It is.

Q. Did you tell Mr. William Mortimer that the contract had already been made with the Toronto Lithographing Company? A. I did.

By Mr. Lake:

Q. Did you tell him that before he put in his tender or after? A. Before.

Q. Explain how you came to tell him? A. On my return from Toronto, after having secured the tender from the Toronto Lithographing Company, that is to say in the beginning of March, 1910, I reported to the King's Printer. Two weeks intervened between my presentation of that report to the King's Printer and our visit to the minister. During these two weeks the *Farm Grasses* was the subject matter of discussion every once in a while over my counter. Mr. William Mortimer visited the office almost daily and I mentioned the subject repeatedly of *Farm Grasses* and told him that a price $1,100 less than had been arranged for the previous year for *Farm Weeds* had been agreed upon by the Toronto company to do *Farm Grasses*.

By the Chairman:

Q. That was in the way of conversation? A. Yes, sir.

Q. You told him that prior to the interview at which the minister refused to confirm what you had done? A. I did.

Q. And then the minister having refused that Mr. Parmelee directed you to go out and get prices from other people? A. He did.

Q. And amongst others whom you asked for prices were the Mortimer Company? A. Yes.

Q. Did you explain to the Mortimer company the fact that the minister had refused to act on the Toronto company's offer? A. I told them so.

By Mr. Lake:

Q. And that there was no contract with the Toronto Lithographing Company? A. Yes.

Q. And it was open to negotitate to make a tender? A. Yes.

By the Chairman:

Q. Did you make it clear to Mr. Mortimer that you were asking for a bona fide tender? A. Yes.

Q. So far as you were able to, and as you believe now, did Mr. Mortimer understand that he was being asked for a bona fide tender? A. He did.

Q. Did you say anything to him at that time to make him believe he was giving a tender to complete the files? A. I did not.

Q. Or that he was giving a tender to cover up your previous conduct in giving work to the Toronto company? A. I did not.

Q. Did you let him understand at that time that if his tender was lower than anybody else he might get the job? A. It was not mentioned.

Q. Then with regard to the statement in the letter signed by the witness Alexander Mortimer, that the tender given by the Mortimer Company in April 1910, was given merely for the purpose of setting the files right, is there any truth in that statement? A. There is not.

Q. The desire to have the files set right was expressed two months after the tender was given? A. It was.

Q. Is there any truth in the implication in that letter or in the evidence given recently by Mr. Mortimer that the prices were quoted in April merely to condone or excuse your conduct in having given the work to the Toronto company? A. No, sir.

Q. This is a copy of the letter you received from Mr. Brierley?

"MONTREAL, Oct. 12, 1910.

Hon. Charles Murphy,
Ottawa, Ont.

My dear Mr. Murphy.

"I am writing you on behalf of R. E. Cook, late of the Printing Bureau, and I want at the outset to ask you not to misunderstand my position. I am the last

man to ask any favour to be shown to Cook or any one else whose guilt, or negligence, or inefficiency has been clearly demonstrated. I know you have been doing a great work cleaning up the Printing Bureau and it looks incapacity has been demonstrated beyond any doubt, I have nothing further to say. I must, however, speak of men as I have found them, and during the fourteen years I have had relations with the Bureau I have uniformerly found Cook not merely courteous, attentive and industrious, but apparantly one of the few men who was devoted to his work, who took an interest in it, who appeared thoroughly competent, and who deplored the lax condition which prevented the best results from being secured. Imagine my surprise, therefore, when I heard that Cook had been dismissed. He has since asked me to speak on his behalf. I declined to do so unless he could give me satisfactory evidence that might justify you in opening the case. This evidence he has apparently given me in a long communication, but of course I do not know the other side of the story. He says that the whole crux of the situation is that the K.P says that he exceeded the orders given him, while he swears that he did not. If this should be the real reason for his dismissal, and if there is room for difference of opinion upon what were his orders, and if there is no evidence of incapacity or graft against him, possibly his case is one which you might feel justified in reopening. I have no desire to add to your burdens in this matter, but I do wish to say a good word on behalf of a man who has impressed me as a most efficient figure in the midst of a lot of much less efficient men.

Yours very truly,

(Sgd.) JOS. S. BRIERLEY."

A. Yes.

Q. This is a copy of the letter from Mr. Briggs:

"TORONTO, Oct. 10, 1910.

The Hon. Charles Murphy, B.A.,
Secretary of State,
Ottawa, Ont.

"My dear Sir,—

"You will pardon my approaching you in a matter which possibly does not directly concern me, but I felt constrained after reading an announcement in the press a few days ago to at least speak a word for one who seemed to me to be a worthy man. I refer to the intimation of the dismissal of Mr. R. E. Cook, late of the Department of Printing. Of course, I know nothing of the conditions with which you have had to deal so strenuously, nor even the particulars of this one case; but, for some years past, we have done considerable work for the Department of Printing at Ottawa, and for a number of years Mr. Cook has been to a very large extent the medium through which we have negotiated, and our experience with him is what constrains me to write you this note. We always found Mr. Cook to be the soul of honour in all business transactions, ever watchful of the interests of the Government he represented, and never by word or suggestion did we ever see anything improper in him; in fact we had learned during the progress of the years to hold him with very great respect. You can well understand, therefore, dear Sir, how the item mentioning his dismissal affected me, for we had grown as you might say quite fond of Mr. Cook.

"Now, dear Sir, I have no disposition whatever to interfere with the administration of your important Department of Government, much less for a moment to question the action above referred to. It has just occurred to me that possibly at this juncture a line of commendation of his worth as we had found him might weigh in his favour in case of his re-engagement should ever come to the front. If I have trespassed upon forbidden ground I trust you will pardon my importunity. My motives are simply those of friendship for one whom I had found to be worthy.

"Wishing you every success in the administration of public affairs, believe me, Honourable Sir,

"Yours very truly,
"WM. BRIGGS."

A. Yes.

Witness retired.

OTTAWA, February 1, 1912.

Thursday Afternoon sitting.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

Mr. THOMAS MULVEY, Under Secretary of State, called, sworn, and examined.

By the Chairman:

Q. We are making some inquiries into the dismissal of Mr. Cook and there were a couple of points on which we wanted to get some light from you. A. Yes.

Q. The first one was an incident concerning the proposed remittance to the Montreal *Herald* in 1910. A. Yes.

Q. Would you kindly tell us what took place between you and Mr. Cook on that occasion? A. I had occasion to look into this once before, because it was stated to me that I went down to demand a cheque from Mr. Cook for the Montreal *Herald* and he was immediately dismissed, and that he connected these two together. It was, oh, perhaps seven or eight months ago that I made inquiries to find out exactly how the thing stood, and I can only speak from my recollection of that time. Now I think it was on Saturday morning, I would not say positively—

Q. That was on the 9th of July? A. I think it was Saturday morning about, I guess, in the neighbourhood of 11 o'clock, as Mr. Murphy was going to Council, that, I think is so, he handed me a telegram from Brierly of the Montreal *Herald*, in which they asked for a payment on account of some printing they had done. I immediately went down to see Mr. Parmelee and asked him if a payment could be made. He said that they knew nothing about it, that the contract had been placed by the Immigration Department, and that payment had already been improperly made by the Immigration Department on account of the contract. He said that they had no invoices from the Montreal *Herald*. Now whether all this conversation took place in Mr. Parmelee's room I shall not undertake to say. I am inclined to think that Mr. Parmelee immediately said: "We will go and see Mr. Cook," and it was there that I got this information. They said that they had notice from the Immigration Department that the goods had been shipped. These were all immigration literature and distribution at the Brussels exhibition, and the goods had been shipped from Montreal. How they were shipped I do not know, but I think there were advices from the Immigration Department that they had been shipped, but Mr. Parmelee and Mr. Cook both said that they could make no payment because there were no invoices. Then I asked Mr. Parmelee to telegraph Brierly to send invoices. That is all I had to do with the transaction.

Q. I want you to search your memory carefully because we have heard both from Mr. Parmelee and Mr. Cook, it is fair to tell you, and they are in contradiction with you. A. I can only tell you my recollection.

Q. I do not expect you to do more than that. A. Are you quite sure you saw Mr. Parmelee before you saw Mr. Cook? A. Yes.

Q. And on the same day? A. Yes, yes. Well now I would have absolutely no recollection of the transaction at all, only as I tell you that I looked into it about six months ago.

Q. You refreshed your memory? A. Refreshed my memory at that time, and to give you one with the other my movements on that day, I could not do it.

Q. No? A. I know that my practice was—I can only argue it out—my practice was that when Mr. Murphy asked me to go down to the Bureau to see about anything I went to Mr. Parmelee first, as a matter of courtesy, and while I would not affirm positively that I did so on that occasion, yet I believe it to be so.

Q. If Mr. Parmelee says, as he did say, I think, speaking under correction—A. Well, I have a distinct recollection of discussing the matter with Mr. Parmelee and Mr. Cook.

Q. On that day? A. On that same day, that is my recollection.

Q. And you say that despite any evidence of Mr. Parmelee to the contrary. A. I am speaking for myself, not from what anybody else says.

Q. He has positively stated to the contrary and I am asking you to be very clear.

By Mr. Lake:

Q. You are positively certain in your own mind? A. That is my recollection of it. Just as I tell you, it is a recollection of something that occurred nearly two years ago, about which I didn't bother my head. But as I say, as I look back to it now, that is my recollection of it.

By the Chairman:

Q. What I am anxious, however, to get, is whether you now have a clear recollection of what occurred at that time, or whether you are really recollecting what you tried to recollect on the previous occasion? You see the distinction. A. Well, my previous recollection had nothing to do with this. That is to say, what I want to make clear is this: whether I saw Mr. Parmelee and Mr. Cook together on that day had nothing to do with my recalling the subject before.

Q. I want to tell you this, merely for the sake of the evidence: Mr. Cook has sworn that you came to him without seeing Mr. Parmelee, and that he, differing in opinion from you as to whether the thing should go on or not, referred you to Mr. Parmelee and you then left. Mr. Parmelee on his oath said that you did not see him at all on that day. A. I think he is wrong, that is my view of it. You see, it was not a part of my duties at all. I went down because Mr. Murphy asked me. It was not a duty of my office. But Mr. Murphy—it was shortly after the Montreal *Herald* fire. If there was money coming to these people Mr. Murphy wanted to get it for them, and asked me to expedite it for them.

Q. On your return did you tell Mr. Murphy what had taken place? A. Yes.

Q. And it was on the same day Cook was suspended? A. I really cannot tell you absolutely, but I believe it to be.

Q. There is another matter I am going to ask you about and it is this: We had yesterday the evidence of Mr. Albert Mortimer, of the Mortimer Company, Limited. A. Yes.

Q. In reference to a letter dated August 26, 1910, signed by him. You will remember it probably. A. I do not remember, it is such a long time since I have been through any of that evidence. It is the Bureau Investigation Report you are referring to?

Q. The letter in question appears on page 297 of the Report of the Bureau Inquiry. A. (After looking at report) Yes, I know this letter.

Q. Do you know how it was signed? A. No, I do not, I did not see it signed. No, I cannot tell you where it was signed.

Q. Do you remember Mr. Mortimer being present in the office of the Secretary of State with two or three others, in relation to that letter? A. No. Now, Mr. Mortimer used to come up to see Mr. Murphy frequently. He used to frequent the department and talk to me while he was waiting, and I do not think I had any other discussions with Mr. Mortimer except of that kind. Well, there may have been some other conversations when he was pressing for payment of accounts, and he wanted me to expedite Mr. O'Connor's audit, but this is about the only thing. As to being in Mr. Murphy's room with several others when Mr. Mortimer signed that document—who are the others?

Q. Mr. O'Connor and other gentlemen, experts. A. That was Mr. Hyde.

Q. Experts from Montreal in connection with the Printing Inquiry? A. I have no recollection of being present with them.

Q. Mr. Mortimer went on the stand here yesterday and swore to this effect; that he was called up to the office of the Secretary of State, that he went in and met the Secretary of State——A. Yes, that is Mr. Murphy.

Q. The Honourable Mr. Murphy? A. Yes.

Q. That Mr. Murphy produced this letter, which was in typewriting on his desk, read it to him and asked him to sign it, that he signed it and then remained for an hour or more talking with Mr. Murphy, you and the three gentlemen I have named. A. No, he must be mistaken when he says an hour. I was never in Mr. Murphy's office with Mr. Mortimer for an hour.

Q. Of course he did not say in his evidence that he remained there for an hour. A. Well, here is what happened: On very many of these occasions I was going in and out of Mr. Murphy's office time and time again. I may have been in, and people waiting there, for Mr. Murphy to sign documents, or something of that kind, while this was being signed.

Q. You have no recollection then of the signing of this letter? A. I will tell you the recollection I have of it, and my recollection too is largely based upon hearsay—What Mr. Murphy told me—and I am only giving it to you for what it is worth.

Q. We prefer not to have what Mr. Murphy told you, because we are going to give him a chance to testify. We would like to have your recollection of the matter. A. I cannot give you any coherent account of the way that letter was signed.

Q. You do not know anything about it personally? A. It was not my business.

Q. You had nothing to do with drafting it? A. No, nothing whatever. I knew the affair was going on. I was in and out of Mr. Murphy's office all the time. I knew it was going on down at the Bureau, and while I was up in Toronto I had got some estimates for Mr. Murphy relating to this matter, that is all I had to do with it. As for being actively interested in that, I had nothing whatever to do with it. Mr. Murphy asked me to investigate a number of things for him down at the Bureau, but this was not one of those I was interested in. He told me in various conversations what was going on and I happen to know, and I can only repeat what Mr. Murphy told me in respect to this.

Q. Well, we will call him to testify on that matter. Do you know where the original of that letter is at present (pointing to letter)? A. No. You see with respect to the letter you wrote me yesterday, or the day before, none of these things are on file in the State Department.

Q. I wrote you yesterday for a letter written by the Honourable Mr. Murphy? A. Yes.

Q. To the Toronto Lithographing Company, and you said you had caused search to be made on the files? A. No, no, that is, there is no such file in the department.

Q. No such file? A. No, as would contain a letter of that kind.

Q. Would not a letter written from the office of the Secretary of State by Mr. Murphy be kept on file in that department? A. If it related to a matter within the jurisdiction of the State Department it would.

Q. As far as related to a matter concerning the Printing Department——A. No.

Q. Where would it be sent? A. It should be sent to the Bureau.

Q. Files were produced here yesterday and none of these letters were there? A. Then I cannot tell you where it is because I do not know. The chances are that Mr. Murphy kept that letter in his own office. What he did with it when he went away I do not know.

Q. Do you mean to say the practice is that when the Secretary of State in his office at the Eastern Block—A. Yes.

Q. Writes a letter concerning printing business, that he sends that letter down to be filed in the Printing Bureau?—A. Well now, I cannot tell you what practice was really carried out there, but that is the proper practice.

Q. You think that? A. That is what I would expect to be done.

Q. You do not know, whether as a matter of fact, it is done? A. I do not know whether as a fact it is done.

Q. I produce a letter dated 16th April, 1910, signed by Charles Murphy, addressed to the Toronto Lithographing Company, which is the letter in question. Do you recognize that as Mr. Murphy's signature? (exhibiting letter to witness.) A. Yes, that is Mr. Murphy's signature.

The Chairman says that he obtained this letter from the Toronto Lithographing Company by telegraphing for it.

By the Chairman:

Q. Well, just in the same manner you cannot account for the original letter. A. It was never on any file over which I had any control. That is perhaps the best way to put it.

Q. And you believe it is not in the State Department? A. Oh, yes, I am quite positive of that. It is not under my control in the State Department, you had better put it that way.

Q. That would be a distinction. Did you direct the custodian of the records of the State Department to look for the letter? A. No, I did not.

Q. At my request? A. Well, I knew it would be fruitless to look for it; I am responsible for that statement. It would be fruitless practically to look for such a letter. All letters which are filed—that are of any importance whatever—are sent by me to be filed, and if that letter had ever been filed I would have directed it to be done. I know I never did.

Q. Here is a copy of a letter dated December, 1910, addressed, as you will see, to the Toronto Lithographing Company. A. Yes.

Q. It is endorsed on the top "Received from Mr. Murphy, December 6, 1910." A. Yes.

Q. That file was produced from the Department of Printing yesterday. A. Yes.

Q. Did you draft that letter? A. This letter was originally drafted by Mr. O'Connor.

Q. The expert? A. Yes, sir, and then we went over it together. I may say that since writing you yesterday I went over carefully all the letters which are semi-official and private, and of that kind which are kept in my own office, and I found a copy of this and also a letter which perhaps you should know about (producing documents), a letter addressed to Mr. Murphy, which got in my office, how I do not know, from the Stone Lithographing Company, with respect to the price of the paper covered by this contract. I am ready to bring down everything I have there, if you desire it, so as to go over it.

Q. If there is anything in the department that you know had a bearing on this matter, I would be glad if you would send it down. A. I said I had nothing because this did not relate to the contract which was entered into with Mr. Cook at all.

Q. Well, you will kindly send those documents down. A. Yes, I will send them and I will go over—you see I have some correspondence too. Mr. Stone, for instance wanted to make an appointment perhaps with Mr. Murphy, and he would write me to find out when he could see him, and so on. With respect to that letter I would like to say something more about it. My recollection is, I think it is right too, that Mr. Murphy directed Mr. O'Connor to prepare a new tender, you see, for this work.

Q. And specifications? A. And specifications, and then Mr. Murphy asked Mr. O'Connor to submit it to me with respect to its legal shape to see whether it covered all that was necessary in a letter of that kind.

Q. I want to divide the responsibility for the statements which are contained in it between you and Mr. O'Connor if I can. Now Mr. O'Connor made the first draft of this letter? A. I believe so, that is my recollection.

Q. And in that way would be responsible for the contents of the letter. A. Well now, I would like to look over just what I have before I answer that question.

Q. Well? A. Because you see I do not recollect—

Q. Mr. O'Connor came into connection with the Department of Printing after Mr. Cook's suspension. A. Well, I do not recall the dates.

Q. Mr. Cook was suspended in July and this letter was written in December. A. Oh, but then Mr. O'Connor was down investigating the Bureau long before.

Q. Yes, but not long before July, because Mr. O'Connor was not one of the witnesses called in the Inquiry. A. Mr. O'Connor was not a witness called, but that does not follow.

Q. But you must remember whether O'Connor came there before Mr. Cook was dismissed. A. No, I do not recall.

Q. Have you any notes from which you could fix that? A. Absolutely none, no, I could not fix it. Mr. O'Connor could tell you when he came, and I have no doubt but that his account, which was rendered, would show you when he came, but I have no personal recollection of it.

By Mr. Lake:

Q. Were you acting for—A. Referring to that letter again, my present recollection is that the original draft was prepared by Mr. Murphy, and that it was submitted to Mr. O'Connor and then it came to me. That is my present recollection.

Q. I just wanted to find out what relation you had with the Printing Bureau, if any. A. Officially I have none.

Q. If you acted for Mr. Murphy at all it was practically the same position in which his private secretary would have acted? A. Well, I say officially I have nothing whatever to do with the Printing Bureau. Mr. Murphy asked me to do these things for him. I do not know how you can—what capacity you can give to it. He asked me for instance, to go down there and look over and make reports.

By the Chairman:

Q. In each case you went there it was the result of special request? A. Yes, I never had any occasion or general command to go down and take up what I could find, although in going down there when I saw things that I thought should be brought to his attention I mentioned them as well as the things I actually went down to look over.

By Mr. Lake:

Q. The Department of State and the Printing Bureau are two separate departments? A. Separate departments entirely.

Q. And each of them is under a deputy minister? A. Yes. The King's Printer is equal in rank with me.

Q. Mr. Murphy conducted the business of the Printing Bureau direct with Mr. Parmelee? A. Yes, although Sir Joseph Pope, I have always understood—

The CHAIRMAN.—That is not evidence.

The WITNESS.—This has a bearing on the actual condition of affairs. I could put it in this way: That the former Under-Secretaries of State maintained that in the absence of the Secretary of State, the King's Printer should consult with the Under-Secretary of State. That is as far as it goes.

By the Chairman:

Q. And whether they should or not is a question of law, which we cannot settle. A. Quite so. I do not know whether it is even a question of law.

By Mr. Lake:

Q. Did Mr. Parmelee go day by day to Mr. Murphy's office to see him? A. No, no. Not day by day.

Q. Had Mr. Murphy got an office at the Printing Bureau? A. Oh no, he never had.

Q. Papers were sent backwards and forwards when Mr. Parmelee felt it necessary? A. Yes. Papers that required his signature were sent up to Mr. Murphy's office to be signed.

Q. Did you hold any official position for Mr. Murphy in connection with the Inquiry into the Printing Bureau? A. None whatever. He asked me to devise, or investigate rather, some method of standardizing stationery supplies, and I consulted with all the—it started in fact with a meeting of all the deputies in Mr. Murphy's office. He asked me to communicate with them all.

Q. With the deputies of the entire Service? A. Yes, of the whole Service, and I went into the matter as well as I could. My report you will find at page 150 of the Inquiry.

Q. Can you tell me what position E. G. O'Connor held in connection with the investigation, first of all and afterwards? A. He was appointed by, I would rather say he was employed by, Mr. Murphy to investigate the Printing Bureau with respect to its mechanical side. He and Mr. Hyde spent a considerable length of time down there looking over conditions and all that sort of thing. I was down there with him on some occasion also. After Mr. O'Connor went through all the lithographing accounts for the purpose of auditing them and prepared a new scale of prices for the lithographing—and I would not quite positively say about the printing, whether he investigated that or not, but there was a new schedule of prices for lithographing come to after Mr. O'Connor's investigation.

Q. Did he occupy any actual official position in connection with the actual work? A. Oh no.

Q. Of the printing department? A. Well, as I told you: there were a large number of accounts which accumulated and none of them were paid until they were audited by Mr. O'Connor. He was not there permanently and he audited them, as I believe, largely for the purpose of devising a new scale of prices.

By the Chairman:

Q. He was there in connection with the inquiry as an expert and that only? A. Exactly.

Q. He was not appointed to any position in the ordinary sense of the term? A. No. With respect to the new tenders that you just referred to, Mr. Murphy consulted me for the purpose of having the specification properly framed, and one thing and another of that kind. How far it went I cannot tell you.

Q. The records show. A. Yes. Because I was not present at either of the consultations that Mr. Murphy and Mr. O'Connor had: the great part of my knowledge

with respect to it is based absolutely upon conversations I had with respect to the whole lot of them.

By Mr. Ducharme:

Q. You said you did not look for a letter of Mr. Murphy's on the file because you knew it was fruitless? A. Yes.

Q. Did you not amongst your papers find a document that you did not expect to be there? A. Yes.

Q. The same thing might happen with regard to this particular letter. I think it would be better to look for it. A. I will do so if you wish, and have my clerks make a report which I will bring down to you. Of course the letter I have reference to was in with my personal letters.

By the Chairman:

Q. In order that we may know the letter is not in the department we wish to have a positive statement to that effect? A. Yes.

By the Chairman:

Thank you, that is all we wish from you to-day.

Witness retired.

Mr. R. E. Cook, recalled and examined.

The Chairman:

Q. You spoke of Mr. Barker of the *Free Press* as the man who had discussed with you concerning work that you had just given to the *Gananoque Reporter*. That is the correct name, is it? A. Yes.

Q. Where is Mr. Barker now? A. I think he is manager of the *Regina Leader* Job Office.

Q. In Regina, Saskatchewan? A. Yes.

Q. And has been there for some time? A. Yes.

Q. Was there anybody else on the staff of the *Free Press* that you had any discussion with about that subject at that time? A. No, sir.

Q. What day were you in Toronto in April, 1910, for the purpose of obtaining plates from the Toronto Lithographing Company, which you had previously left with them on your way to get prices from other parties? A. The morning of April 14, to the best of my recollection.

Q. Where did you proceed from Toronto? A. Buffalo.

Q. And you got, amongst other things, an offer from the Hayes Lithographing Company, of Buffalo? A. Yes.

Q. Which bears date of April 15, 1910. A. Yes, sir.

Q. And that confirms your recollection of the date? A. It does.

Q. From Buffalo you went to New York? A. Yes, sir.

Q. And there you received an offer, dated April 19, from Trautmann, Bailey & Blampey? A. Yes.

Q. With relation to the prices of the Department of Printing for outside work, how were those fixed? A. There was a schedule of prices which was in vogue when I was put in charge of the litho. room.

Q. When you say "in vogue" perhaps you had better explain what you mean? A. That were adhered to.

Q. That you found in force? A. In force.

Q. Did you understand them to have been made by anybody? A. Yes, sir, by the old accountant.

Q. By the old accountant of the department? A. Yes, sir.

Q. Were they changed at any time while you were in charge of this particular work? A. Once.

Q. By whom? A. By the Honourable Charles Murphy.

Q. In what respect did he make a change? A. He changed the price of composition from fifty to sixty cents per thousand ems.

Q. Would that be plain composition, as it is called? A. Plain composition.

Q. The price had been fifty cents? A. It had.

Q. And he ordered it to be raised to sixty? A. Yes, sir.

Q. At that time did he have any other prices before him? A. He sent for me concerning that particular item of the schedule.

Q. Yes. A. And he gave me instructions to make that change.

Q. Did you take any schedule of prices to him at the time he sent for you? A. No, sir, nothing except the composition rates.

Q. Which you told him about? A. I told him about it.

Q. Did you have the various prices marked on a paper which you called a schedule? A. I prepared and sent out to the minister, the exact date I cannot recall—

Q. You mean the Honourable Mr. Murphy? A. Yes. A list of all those prices.

Q. All the prices that were paid in the Bureau? A. Paid at the Bureau.

Q. Was that prior to the time at which he ordered you to raise the prices of composition? A. To the best of my recollection the first time was.

Q. The first time you sent him the old list? A. Yes.

Q. You subsequently sent him the old list again? A. I did.

Q. On what occasion? A. On the occasion of the preparation of the Armstrong return.

Q. That would be in what year? A. In 1909 or early in the spring of 1910.

Q. Prior to the beginning of the inquiry in which you were concerned? A. Yes, sir.

Q. Did he ever discuss the prices with you, except in that one particular? A. No, sir.

Q. Or ever give any directions concerning them? A. No, sir.

Q. You have a memorandum in your note book which you now produce for my inspection, dated April 2, 1909? A. Yes, sir.

Q. As follows: (reads)

"Rate of composition for plain matter raised from fifty cents to sixty cents per thousand, catalogue from seventy-five cents to eighty cents, tab. (for tabular) to remain at one dollar, per instructions of Honourable Charles Murphy and sanctioned by the King's Printer, the instructions given to Mr. Cook personally by the minister."

When was that note made in your note book? A. Immediately on my return to the Bureau.

Q. On the date just given? A. Yes, sir.

Q. And the King's printer there referred to would be whom? A. Mr. Parmelee.

Q. Mr. E. G. O'Connor is reported in *Hansard*, Volume 4, 1910-11, page 4377, to have used the following words in a report: "These absurd prices appear to have been paid for years without protest by Mr. Cook or any other official until I called attention to it during my inquiry, and by your authority had it stopped." Do you say that the absurd prices which he there referred to had been brought to Mr. Murphy's attention? A. They had.

Q. On two occasions? A. On two occasions at least.

Q. Prior to Mr. O'Connor's report? A. Yes, sir.

Q. And that he had corrected some of them in the way you pointed out? A. Yes, sir.

Q. In the memorandum book produced by you I find a memo. dated October 24, 1906, as follows (reads):

"New rates for folding and so forth, for Mortimer & Company and others—

4 p.. . . . . ..20 cents. . . . . ..covering
8 p.. . . . . ..30 " 1.20
16 p.. . . . . ..50 "
gathering and stitching, ord. . . . . 70 cents
gathering and stitching, sad. . . . . 80 cents"

When was that memorandum made? A. It was made immediately on the instructions being given to me by my superior officer.

Q. The King's Printer? A. The King's Printer at that time.

Q. On the date just given? A. The date just given.

Q. What were those rates given to you for? A. To alter the schedule of prices allowed for outside work.

Q. The schedule which had been allowed? A. Which had been allowed.

Q. And which was to apply to the future? A. Yes, sir.

Q. You say then that by order of Dr. Dawson that schedule applied, and no change was made in it until the occasion when Mr. Murphy ordered you to increase the rate for composition? A. No change was made.

Q. At page 7748 of Hansard 1910-11, Volume 4, there is what purports to be a copy of a letter signed by A. H. Barker. He was the man who had been connected with the *Free Press*? A. Yes, sir.

Q. Have you read that letter? A. I have.

Q. Is it true? A. It is not.

Q. I wanted to draw your attention to certain definite statements in it. (reads)

"About the middle of January, 1910, I went to the Printing Bureau and interviewed Mr. Cook on business."

Is that true? A. About that time.

Q. (reading)

"He said that an order for 100,000 pamphlets had been placed with the Gananoque *Reporter.*"

A. That is correct.

Q. (reading)

"and that they were not in a position to handle it as they have not the necessary plant"

Q. Did you make that statement? A. I did not.

Q. (reading)

"he added that if I would quote a low enough price on the work he would advise Mr. Britton of the Gananoque *Reporter,* to give it to us."

A. That is not true.

Q. (reading)

"And that if our price was not satisfactory Mr. Britton would likely send the work to Montreal."

A. Absolutely untrue.

Q. (reading)

"He said he would prefer to have it done in Ottawa."

A. Never used the words.

Q. (reading)

"He then handed me a sample pamphlet from a prior edition."

A. Mr. Barker was at the counter in our room when I returned from a telephone box communicating with Mr. Britton, and I did hand him a sample when he asked for press work.

Q. What were you communicating with Mr. Britton about at that time? A. I was phoning him that the order was his, he had better come down for it.

Q. What did you hand Barker a sample of press work for which had been given out to some one else? A. Simply as a matter of conversation.

Q. Did you hand it to him for the purpose of getting work from the *Reporter*? A. I did not.

Q. Did you ask him to keep the price down low as Mr. Britton had a low figure? A. I did not.

Q. Afterwards did Barker come to the Bureau and tell you that the *Free Press* price would be $950? A. Barker told me at the time that he would have been willing to execute the work for $950 owing to the condition of affairs in their office.

Q. Did you say that you would advise Mr. Britton to leave the work with the *Free Press*? A. I did not.

Q. Did you afterwards telephone that Mr. Britton was on his way up to the *Free Press* office with a copy? A. No, sir.

Q. You told us in your previous evidence that Barker, during the progress of the work actually done at the *Free Press,* asked as to the manner of payment and you told him to send his account to Mr. Britton? A. I did.

Q. And that Mr. Britton would send this account to the Bureau? A. I did not tell him anything about that.

Q. Why did you tell him to send his account to Britton? A. Because we had nothing to do, directly or indirectly, with the *Free Press.*

Q. Did you tell Barker that you would inform him when a cheque was forwarded to Britton? A. I did not.

Q. Did you know of the existence of this letter before it was published in the House of Commons Debates? A. I did not.

Q. Where was Barker on April 25, 1911? A. In the *Free Press* office.

Q. Did you ever see him and speak to him about it? A. I did

Q. What did he say about it? A. He explained that the minister had all the information, and he was forced to sign it.

Q. The minister had all the information and he was forced to sign it. What do you mean? A. The letter.

Q. The letter from which I have just been quoting? A. Yes, sir.

Q. Did he tell you any more than that? A. No, sir.

Q. Did he make any explanations concerning it? A. He did not. I left him immediately.

Q. When you say "he was forced to sign it," are you using Mr. Barker's words? A. I am.

Q. Did he explain what he meant by the words "forced to sign it"? A. No.

Q. Did you ask him how he was forced to sign it? A. I did not.

Q. Then there was nothing said by him at that time, or afterwards, which explains those words in any manner. A. No, sir

Q. Did he say why he, or somebody else, had written it? A. No. sir.

Q. He said that Mr. Murphy had all the information? A. All the information. I am using Mr. Barker's exact words as I recollect them.

Q. Repeat them please. A. That Mr. Murphy had all the information, and that he was forced to sign it.

Q. And that he, Barker, was forced to do what? A. Forced to sign the letter.

The Chairman says that he has received from the State Department, and now submits, a recommendation to the Governor in Council, signed by Charles Murphy, Secretary of State, and dated 30th September, 1910, that in the public interest the services of Mr. R. E. Cook be dispensed with from the 28th September, 1910, and also a copy of the Order in Council based on such recommendation, approved by the Governor General on the 12th October, 1910, advising that in the public interest the services of Mr. Cook be dispensed with from the 28th September, 1910.

By the Chairman:

Q. You were suspended on the 9th day of July until the first day of October? A. The first day of October.

Q. Where did you go then? A. I went to the Thousand Islands in the meantime, and on my return to Ottawa, 29th September, received notice of dismissal. I was not paid for any time after my suspension, nor paid anything for the time between the 9th July and the 28th September.

Q. Where were you paid when you received your last payment? A. In the Printing Bureau.

Q. After you had received notice of dismissal? A. After I had received notice of dismissal.

Q. Before you went away? A. Yes, sir.

Q. Did you ever apply for your pay? A. No sir. I was notified by the King's printer it was without pay.

Q. You mean to say at the time you got your suspension? Or after you got your dismissal? A. I was notified by the King's Printer.

Q. Notified of what? A. That it was to be without pay.

Q. But you got two notifications, one suspending you and the other dismissing you. A. On the 9th of July the King's Printer notified me that I was suspended until the 1st day of October without pay. I did not make application for any pay between the 9th of July and the 28th September.

Witness retired.

Mr. JOHN F. NEVILLE, called, sworn and examined.

By the Chairman:

Q. You were employed during 1910 in the Printing Bureau? A. I was.

Q. In the office which was in charge of Mr. Cook? A. Yes.

Q. Do you remember the occasion when Mr. Mulvey, Under Secretary of State, came to the office concerning a remittance to be made to the Montrel *Herald*? A. I have a hazy recollection of it, yes.

Q. You have a hazy recollection of it? A. I do not remember any of the details in connection with his visit, but I remember him coming, and the nature of the business—that is in connection with the cheque which was sent to the Montreal *Herald*. Further than that I do not remember.

Q. Do you remember whether it was sent at that time? A. I could not say positively.

Q. Do you remember hearing any of the discussion between him and Mr. Cook about the matter? A. There was some discussion, yes.

Q. Do you remember hearing it? A. Yes.

Q. Was it in an ordinary tone, or was it warm and somewhat excited? A. Well, I would not say that it was from my recollection of it.

Q. Mr. Mulvey was asking that something should be done, was he not? A. Yes.

Q. And was Mr. Cook assenting or declining? A. Well, it seems to me that Mr. Cook made some objections to sending it on account of an irregularity. Now, just what that was—

Q. You do not remember? A. I do not remember.

Q. Do you remember then whether Mr. Mulvey seemed to be excited or otherwise over the matter? A. Well, just about that time when Mr Mulvey came down, I think on most occasions he was more or less excited. I do not know that it would be excited with him, but he appeared so to us.

Q. Do you mean to say his general manner was such as to impress you with the idea that he was excited? A. Exactly.

Q. Somewhat abrupt? A. Yes.

Q. Do you remember anybody coming in with Mr. Mulvey on that occasion? A. It seems to me there was somebody, although I do not remember who it was.

Q. Would it be a stranger or some person from outside the office? A. I do not remember. If the name were mentioned it might recall it to my mind.

Q. Do you remember if, when the discussion took place, Mr. Parmelee was present or not. A. No, I do not think he was.

Witness retired.

The examination of Mr. C. H. PARMELEE resumed.

By the Chairman:

Q. One of the experts sent by the minister into the Department of Printing in 1910 was Mr. E. G. O'Connor? A. Yes, Mr. E. G. O'Connor.

Q. I find under date of, October 20, 1910, a letter addressed to the Matthews-Northrup firm, of Buffalo and New York, signed by you. There is a draft letter in lead pencil which is not in your handwriting (exhibiting document to witness). A. Yes, that is O'Connor's writing.

Q. The lead pencil draft of the letter is in the handwriting of Mr. E. G. O'Connor. The letter itself was a request for samples of the work done by that Company. How did it come that the draft of this letter was prepared by Mr. O'Connor? A. Because Mr. O'Connor was apparently given entire charge of calling for new tenders for *Farm Grasses* by the then minister.

Q. Why do you say apparently? A. Well, I say apparently because I had no—I was not consulted about it in any way whatever, and he went on and did the business.

Q. You say the whole proceedings about that time—A. In connection with that particular contract were entirely conducted by Mr. O'Connor, as I presumed, on the authority of the minister.

Q. Did the minister directly tell you that Mr. O'Connor was to take that particular work into his hands? A. No, he did not.

Q. Mr. O'Connor just presumed to take the work into his hands? A. Well, he took the work.

Q. He took the work into his hands and in this particular case he prepared a draft letter? I presume he had somebody typewrite the letter and you were simply asked to sign it? A. I presume possibly it was typewritten by my secretary or somebody in the Bureau—I do not remember the details to-day—and I signed it.

Q. And you signed it as a matter of course because it was placed before you? A. Yes.

Q. Now when Mr. O'Connor was sent to the Department of Printing did he bring a letter to you from anybody? A. No.

Q. How did he come, who came with him and put him there? A. He was put there by Mr. Murphy, the then Secretary of State.

Q. But when he first came to the Department of Printing surely he brought to you a letter from somebody? A. No. I think Mr. Murphy mentioned to me casually, either at his own office or in the Bureau, that he had engaged Mr. O'Connor as an expert on the printing end of the Bureau.

Q. Yes? A. As printing adviser. I was never notified officially by letter or anything of that sort.

Q. Then Mr. O'Connor came in and took charge of what he liked? A. Yes.

Q. And the various letters concerning this particular matter of *Farm Grasses* which are signed by you, were prepared under the direction of Mr. O'Connor? A. Yes, to the best of my recollection, without any exception whatever.

Q. Did you know Mr. O'Connor before that time? A. I knew him twenty-five odd years before. I knew him, yes.

Q. He came here on this occasion from Montreal? A. From Montreal, yes

Q. Do you know what his business is in Montreal? A. His business now, and for some years has been in connection with a building society, I think, of some sort. A little building society, I cannot remember the time

Q. Had he at one time been a printer? A. Not a practical printer. He had at one time been a sort of superintendent of the Montreal *Star*. Subsequently he went to the Montreal *Herald*, and the last connection he had with printing was in the lithographing business for three or four years. I do not remember the exact time he was connected with the Burland Lithographing Company.

Q. Was he not at one time connected with a newspaper here in Ottawa? A. Not to my knowledge.

Q. Now, I find here a thing which strikes me as peculiar. There is a letter dated December 19, 1910, directed to the Stone or Toronto Lithographing Company, saying "drawings enclosed to be returned with your tender on the 22nd instant." That relates to *Farm Grasses?* A. It does.

Q. I find that on the 23rd December, 1910, a reply was sent by the Toronto Lithographing Company and the drawings returned. Then on December 28, 1910, a letter was sent to the Rolph & Clark Company of Toronto asking for prices and enclosing drawings, to which an answer was received, dated January 4, 1911. Then on January 9, 1911, a letter appears to have been sent to the Mortimer Company, Ottawa, asking for prices and saying: "The drawings you have already seen. If you require to examine them again before sending us your tender, please advise us accordingly." You will observe, therefore, that before this letter was sent to the Mortimer Company asking for prices, the prices of the Toronto Lithographing Company and of the Rolph & Clark Company, had been received in Ottawa. A. Yes, I observe that.

Q. And consequently that if the Mortimer Company desired to know the prices of these other companies they could find out by inquiry if anybody would be disposed to tell them? A. Yes, that is true, although it would be worth as much as an officer's position if we could ever prove that information of that sort was given out.

Q. It would be provided he did not stand in favour with the powers that be, and provided also that he had a position to be lost? A. Yes.

Q. Now, the man that was handling this matter, Mr. O'Connor, had no position to be lost, had he? A. None whatever.

Q. And so far as you know all this information was in his possession? A. So far as I know, it was.

Q. Although the letters are signed by you. When the answers came back did you handle them? A. I did not.

Q. Did you handle the price? A. I did not.

Q. Do you know who had them? A. I think the actual writing and sending them out was done by some of the officers in charge of the outside work, but they never came through my hands in any shape or form.

Q. The reason I ask you particularly about the Mortimer Company in this connection is this. The Toronto Lithographing Company's tender for the first 25,000

was for $6,270. The Mortimer Company's tender was for $6,247.30, there being only $22.70 difference between the two. The amounts are so close together that I wanted to discover from you whether there was a possibility of the Mortimer Company having seen the tender of the Toronto Lithographing Company? A. Of course I am not able to say that, but I can say that equal, or nearly equal, tenders are not unusual in our experience.

Q. Now, the next point I want to draw your attention to is this: You have noticed of course, the quotation in the letter from the Mortimer Company, "the drawings you have already seen"? A. Yes.

Q. Showing that they had been shown the drawings? A. That refers to the time they saw them in the summer. I don't know what it refers to but it shows that they had seen them.

Q. The Toronto Lithographing Company had seen the drawings when they undertook to do the work? A. Yes.

Q. Can you explain to me why the drawings should be sent to the Toronto Company, when they were asked in December for a tender, they having previously seen the drawings? A. I cannot say.

Q. And they should not be sent to the Mortimer because they had previously seen the drawings? A. They had nothing to do with it. I am quite unable to explain it.

Q. The next thing I want to draw your attention to is this: I find that on January 9, 1911, the drawings were sent to the Matthews, Northrup Company, and on the same day a letter was written to the Montreal Lithographing Company, Montreal, saying "We take pleasure in submitting to you for a price, the reproduction" &c., and adding these words "the drawings you have already seen." So that it appears from that that the Mortimer Company of Ottawa and the Montreal Lithographing Company of Montreal had seen those drawings and therefore they were not sent to them? A. Yes, that is quite apparent from the tenor of the letter.

Q. I presume your answer is again that you are not aware the Montreal Lithographing Company saw these plates? A. I was not.

Q. And you had nothing to do with their seeing them? A. Nothing to do with their seeing them in any shape or manner.

Q. Presumably from the fact that there is no letter on the file showing that the drawings had been sent to the Montreal company, that company must have seen them here in Ottawa? A. I don't know where they saw them.

Q. Rolph & Clark had returned all drawings from Toronto, so that they would arrive here probably on the 5th January, and they were not sent out again until the 9th January, so that they were four days apparently here in the office at Ottawa, and on the 9th January the Montreal Lithographing Company are told that they have already seen the plans. On the 12th January, replying to the inquiry dated the 9th, the Montreal Lithographing Company quoted the lowest price for the first 25,000 copies? A. Quoted the lowest price.

Q. Do you know how much lower that price was than the others? A. I know, comparing the size of the work, it was very little lower. The difference was—

Q. But you personally had nothing whatever to do with giving the contract to the Montreal Company? A. I had not.

Q. It was all handled as you say, by Mr. O'Connor? A. Yes. The last analysis was a recommendation by Mr. O'Connor that the contract should be awarded to the Montreal Lithographing Company. Of course since then it has been merely a departmental matter and the usual order followed, an order given for the contract with directions how to do the work, and exchanging prices between the Lithographing Company and the department, and so on.

Q. I want to direct your attention and your recollection back to the occasion, in July, 1910 when the matter of a remittance to the Montreal *Herald* took place. We

have had Mr. Mulvey here to-day giving evidence, and he represents that he saw you on that occasion before he saw Mr. Cook about it, which is contrary to your evidence on the previous day? A. It is still contrary to my recollection.

Q. I may tell you that it is also contrary to Mr. Cook's evidence. He agrees with you? A. I did not know what Mr. Cook had said. My recollection is that I never saw Mr. Mulvey in connection with it whatever, that I only learned afterwards from Mr. Cook that this thing had happened.

Q. And your recollection of the matter is quite clear, is it? A. It is quite clear. If Mr. Mulvey had come to me, as he said he did, and discussed the matter with me, there would have been no necessity for going to Mr. Cook, because it would have been settled in exactly the same way as Mr. Cook settled it; that is, I would have said that when I had proper accounts and proper certificates as to the delivery and receipt of these goods, then I would pay the account.

Q. And if he had come to you and you said that, he would not have gone to Cook at all? A. There would have been no necessity for that, it would have been useless.

Q. After the giving of the certificate, the cheque would have to be signed by you later? A. Of course.

Q. The evidence given this afternoon by Mr. Mulvey as to what took place between him and Mr. Parmelee on the occasion when Mulvey requested that a remittance be made to the Montreal *Herald* was here read to Mr. Parmelee and he was asked: Is that statement by Mr. Mulvey correct, in your opinion? A. Well, not to my recollection. My recollection is, as I said before, that I never discussed it on that occasion, good, bad or indifferent, with Mr. Mulvey.

Q. Could you have said to him at that time what he there relates in reference to illegal remittances having been made from the Department of the Interior? A. No, because, as a matter of fact, there was nothing illegal about it. There was nothing irregular about it.

Q. Well, did you ever say anything about that matter to Mr. Mulvey? A. I have no recollection of saying it to Mr. Mulvey or anybody else outside my own Bureau.

Q. You say you have no recollection. Do you mean that you have a very clear impression that you did not do it? A. Exactly.

By Mr. Ducharme:

Q. Do you remember whether you saw Mr. Mulvey going into Mr. Cook's office that day, or coming out of Mr. Cook's office? A. He could go there without my knowledge.

By the Chairman:

Q. Do you remember seeing him go there, A. No, I do not.

Q. You did not know at that time whether he was there? A. No.

Q. It was Mr. Cook who afterwards told you what had taken place? A. Yes, sir.

By Mr. Lake:

Q. What department paid Mr. O'Connor for his work in connection with the Bureau? A. He was paid out of the King's Printer's advance fund, and the item goes to the cost of the production of things in the Bureau. In the last analysis every department of the government pays its share of it.

Q. Then it will be divided up and charged against the various departments? A. It is charged.

By the Chairman:

Q. It goes into the cost of work? A. Cost of production, and in the last analysis is paid in proportion by the departments.

By Mr. Lake:

Q. In what way will it be possible to get the details of Mr. O'Connor's account? A. I can get that very easily. I think he rendered an account at so much a day. We can find that.

The CHAIRMAN: Will you please present us with a statement of the payments for these two experts employed on that Investigation.

Witness retired.

GEORGE H. CLARKE, sworn, seed commissioner of the Department of Agriculture.

Examined by the Chairman:

Q. What is your official positioné A. Seed commissioner of the Department of Agriculture.

Q. You remember a desire on the part of the Department of Agriculture to publish a book called *Farm Grasses?* A. Yes.

Q. And you remember having something to do with the Printing Department concerning that matter in the early part of 1910? A. Yes.

Q. And you remember, particularly, a conversation with Mr. Cook about it? A. Yes.

Q. Your department would have, at that time, a vote out of which the cost, or part of the cost, of such a book could be paid? A. I think so, yes.

Q. Do you remember any special conversation about that feature of the matter with Mr. Cook? A. About the nature of the vote?

Q. About the fact that you had a vote, or anything concerning it? A. Yes.

Q. What was it that took place? A. I went to Mr. Cook some time in February to get from him an estimate of the probable cost of printing a book with twenty-seven plates, or how many plates we should include, to get the work done at the lowest expense per plate, and including also from one hundred to two hundred pages of text. I wanted to get that information because of the money we had available for proceeding with the work. I wanted to be able to tell my minister the possible cost. Mr. Cook, after a few days gave an estimate of that work, and I think it was in March that I went down with a requisition for that work. If I remember correctly, Mr. Cook explained to me that in thhe process of printing, the plates could be done more cheaply by arranging them in groups, I think it was, of nine. When I went down with the requisition, Mr. Cook took me into the office of the King's Printer, or it may be that the King's Printer came into the room with Mr. Cook and I, I think the latter is correct. We discussed the matter in a general way, and I explained to Mr. Cook and Mr. Parmelee what I had explained to Mr. O'Halloran, Deputy Minister of Agriculture, that unless the work would proceed with considerable rapidity, we would have nearly $10,000 which had been voted for that work lapse. I wanted to guard against that, and I explained to Mr. Parmelee and Mr. Cook that Mr. O'Halloran had suggested to me that I might inquire of him if any way could be arranged so that the work could proceed, so that this money might be applied on it.

Q. Was there an interview in February between you? A. There was an interview, in February, and I think quite early in February, regarding the cost of the work. At the time of the first interview, I had not in hand the authorized requisition for the work, and it may be that the interview, when I had the requisition with me, was in the latter part of February rather than the first of March.

Q. It must have been? A. Yes, the date of the requisition would show that. The requisition was signed the day I took it down.

Q. If Mr. Cook says he had the requisition in February, and, upon that, went to Toronto to arrange prices, would you be prepared to accept that as correct? A. Quite.

Q. In any case, in the interview with Mr. Cook, did you express to him a desire to save the vote from lapsing? A. Yes.

Q. And subsequently when he and Mr. Parmelee were present, you explained the same desire to have that vote saved? A. Yes.

Q. In that desire to save the vote, Mr. O'Halloran, the deputy minister of your Department, concurred? A. Mr. O'Halloran suggested to me that I should speak to Mr. Parmelee about it and see what he could do. I explained that to Mr. Parmelee.

Q. Then, in February and March, 1910, you were pressing to get this work done as quickly as you could? A. I do not think there can be any doubt about that.

Q. The previous year your department had published *Farm Weeds?* A. Yes.

Q. And that had been done by the Toronto Lithographing Company, so far as the plates were concerned? A. Yes.

Q. And it was a very creditable work, was it not? A. I thought so.

Q. Something that you took great pride in? A. Yes.

Q. Was *Farm Grasses* to be of the same design? A. Yes.

Q. Were the drawings by the same artist who had done the drawings for *Farm Weeds?* A. Yes.

Q. What is his name? A. Mr. Norman Criddle of Creesbank, Manitoba.

Q. He is clever at that work? A. He is a very excellent naturalist and a good artist as well.

Q. *Farm Grasses* has not yet been published? A. Not yet.

Q. Have all the plates been printed yet? A. They are either printed or in the process of being printed.

Q. Of course, when they are completed, the letter press will have to be done and the books bound? A. Yes.

Q. So that apparently your grass is not growing very rapidly? A. Very slowly.

Q. The book which you hoped to have out in 1910 will perhaps be out about the same time of the year in 1912? A. It will probably be out in September, 1912.

Q. So that more than two years have been allowed to lapse? A. Yes.

Q. Do you have much lithographing work going through your department? A. Not so much of the cromo lithographic work as this work would be called. We have considerable of the half-tones and ordinary lithographic work in two colours, black and white.

Q. The Toronto Lithographing Company do excellent work do they not? A. They do very good work indeed.

Q. Are you well satisfied with the plates you are getting now for *Farm Grasses* as you were with the plates for *Farm Weeds*? A. We have had only the proof copies so far. My experience has been that sometimes it is possible to get very good and very excellent proof copies, but the excellence of the work that may follow on proof copies may, or may not, be good. It depends, I would think, although I do not know printing well, it depends on the machinery and the capability of the men operating the machinery.

Q. At the present moment, therefore, you are not able to institute a comparison between the lithographic work in *Farm Weeds* and the work which may be done on *Farm Grasses*. A. No, but the proofs we have received are very good.

Q. But you do not know what the print will be when it comes out? A. No, There is one other statement I might make. At the time of the interview with Mr. Parmelee and Mr. Cook, they discussed means by which the work might proceed in a way to apply those funds. I believe it was discussed; I know it was discussed, and I think Mr. Cook suggested a plan for ordering the paper that would be used in the printing. I remember Mr. Parmelee at the time stated the advisability of exercising

care and especially in letting the contract to have them done according to tender, as was required by the law. I do not know that that information is important but I remember it.

By Mr. Lake:

Q. You thought the paper might be got out before the 31st of March and paid for? A. Yes.

Q. And in that way you would have saved some of the vote? A. Yes. The paper for the whole work should be ordered I think it was understood at the time. The idea was that the paper for the whole sketch would be approximately uniform in quality, and that giving the contract for the entire work, from my recollection, was discussed at the time between Mr. Cook and Mr. Parmelee, and it was understood, if I remember right, that it would be better to order that paper and that also would be the means of using a part of this appropriation.

Witness retired.

AFTERNOON SITTING.

OTTAWA, Friday 2nd February, 1912.

THOMAS MULVEY, (re-called):

By the Chairman:

Q. Mr. Mulvey, acting on the request made to you yesterday, you caused a careful search of the correspondence in the State Department to be made? A. Yes, I gave the files clerk verbal instructions to search for any letters that might be in any way connected with any contract with the Toronto Lithographing Company, or any matter connected with Cook.

Q. And none was found? A. None was found.

Q. And the letter you put in? A. That is the letter of Dubé, the files clerk.

"Department of the Secretary of State of Canada,
Ottawa, 1st February, 1912.

Dear Sir:

In answer to your verbal request I beg to say that after a careful search of the correspondence records of the Department of the Secretary of State, I find no trace of any letters from the Honourable Mr. Murphy to the Toronto Lithograph Company, or of any other letters respecting a contract with the said company made by Mr. R. E Cook.

Yours truly

(Sgd.) L. J. ARTHUR DUBÉ,
Keeper of the Correspondence Records.

Thomas Mulvey, Esq., K.C.,
Under Secretary of State,
Ottawa."

Q. You have produced some correspondence? A. Yes, I have. Some of it I do not think is of any use to you or relates to this matter, but I have brought down everything that is connected with Stone or Cook.

Q. Stone, that is the Toronto Lithographing Company, or Cook? A. Yes.

Q. Where did you find these? A. On the file in my office.

Q. In your office? A. My own private office. It is where I keep things that are not connected with the department that I may have dealings with.

Q. And this would be a matter pertaining to the Printing Department with which you ascertained you had some dealings? A. It arises from things I had done for Mr. Murphy down at the Printing Bureau. For instance, that second letter is a letter from Mr. Parmelee sending me a copy of the letter he wrote to Stone some time ago.

Q. 25th July, last? A. The history of this is, that I met Stone when I was up in Toronto. He wanted to know why the matter was not being settled up. I said I would speak to Mr. Parmelee, and see if the thing could not be hastened, and when I came here Mr. Parmelee told me he had written that letter some time ago and it had remained unanswered. I asked for a copy, and I sent it to Stone.

Q. That is he had written the letter of 25th July? A. Mr. Parmelee sent me that copy.

Q. Addressed to Stone, Limited, it had not been answered? A. That is what Mr. Stone told me.

Q Then I find a copy of a letter dated November 15 from you Mr. E. G. O'Connor, saying that you enclosed three letters received from Mr. William Stone. What was the reason for sending these to Mr. O'Connor? A. Mr. O'Connor was auditing and dealing with those lithographic accounts. He was an expert employed by Mr. Murphy to investigate those accounts.

Q. Then we were asking you yesterday concerning a letter dated 10th December, 1910, which you sent to the King's Printer to be signed, and you said you thought that that had been drafted by somebody else? A. Yes.

Q. Well now you have produced a copy of that letter from your own office? A. Yes.

Q. And also another, the first draft of that letter? A. Yes.

Q. Which is partly in typewriting, and partly in pen writing. Where did that come from to you? A. Well, I have no recollection of it. My mind cannot go back to that letter to tell exactly what happened, but that letter is written on Mr. Murphy's private office stationery, which I never have in my office, and it is also corrected in his own handwriting, and I have a copy of it here, so I assume from these circumstances that it was handed by Mr. Murphy to me to have copied and sent down to Mr. Parmelee.

Q. To have typewritten? A. Yes.

Q. And you say that the writing on that first draft is in the handwriting of Mr. Murphy? A. Yes. These others are letters respecting accounts which are outstanding, and I have not any doubt that these are similar letters which I sent on to Mr. O'Connor.

Witness retired.

OTTAWA, SATURDAY, February 3, 1912.

PRESENT:

Honourable A. B. MORINE,
Chairman.

R. S. Lake,
Commissioner.

BYRON O. BRITTON, sworn:

By the Chairman:

Q. You reside in Gananoque? A. Yes.

Q. Province of Ontario? A. Yes.

Q. You are the proprietor of the Gananoque *Reporter?*. A. Yes.

Q. Do you do job work at all? A. We do.

Q. Have you a pretty good outfit, for a small country town? A. Pretty good outfit for a small town.

Q. You know Mr. Cook, in the Department of Printing? A. Yes.

Q. Have known him for some time? A. Yes.

Q. You had a job of printing to do for the department in 1910? A. 1910, yes.

Q. An immigration pamphlet? A. Yes.

Q. With whom did you make arrangements for the printing of that? A. With Mr. Cook.

Q. That is to say, the contract between you and the Printing Department was made by arrangement with Mr. Cook? A. Yes.

Q. Where did you first know of the particular job? A. In our own office in Gananoque.

Q. How did it come to your notice? A. Mr. Cook was there, and had the job with him—at least, had a copy of the pamphlet with him.

Q. He asked you what? A. Asked me what I would do a hundred thousand for.

Q. Did your office at that time have the necessary facilities for that work? A. All except the electrotyping; we could not bo that.

Q. There were quite a number of plates to electrotype for that work, were there not? A. I do not think I understand.

Q. How much electrotyping was there? A. In a long job like that, it would be usual to electrotype the whole job; otherwise, the illustrations were furnished by the department.

Q. The type would be set up, and the thing would be electrotyped, and the job would be run off from the plates? A. Yes.

Q. When you took that job, did you intend to electrotype it? A. That was the intention.

Q. As you had no electrotyping apparatus, what arrangement was made? A. We have that work done now. We send it either to Toronto or Montreal. We have electrotyping done now frequently for our own use; that is for the use in job work.

Q. And you undertook it; if you did not have the electrotyping, did you undertake it with the intention of getting it done for you somewhere? A. Yes.

Q. That would be the regular way of doing it? A. To set up the type, and make it up in pages, and have the pages electrotyped.

Q. And then receive them back in your office and put them through the press? A. Yes.

Q. Do you mean to say you would set up the type in your office? A. Yes.

Q. And you would send the forms somewhere to be electrotyped? A Yes, we do that frequently.

Q. Was that what you intended to do? A. Yes.

Q. It was not your intention at that time to send the copy to another firm of printers, to be set up and electrotyped in their office? A. No.

Q. But the idea was that you should set up the type; the form should be sent to be electrotyped; and where would the press work be done? A. We have facilities for that also.

Q. Was that your intention? A. Yes.

Q. All you expected at that time to get done outside of your office was the mere electrotyping of the plates? A. That is all; we were not equipped to do that.

Q. Is that electrotyping a small or large portion of the work? A. It would not be a serious item.

Q. And you say that you are, and have been for a long time, in the habit of doing work of that kind for various persons? A. Yes.

Q. And is that an ordinary practice of printing offices in small towns? A. I think it is.

Q. I suppose the electrotyping apparatus is somewhat expensive? A. I suppose it is, I have no idea.

Q. It is such an apparatus that you would hardly expect to find it outside of the larger cities? A. No.

Q. So that most country and town newspapers would have to do it in the way you proposed to do it? A. Yes, even in quite large cities they are not equipped that way.

Q. You named a price for doing the work? A. Yes.

Q. Can you remember what price you named at the beginning? A. At the beginning $2,000.

Q. And they finally arranged for how much? A. $1,160, I think. I am not stating that positively.

Q. You must have been expecting to get a great rake-off, then? A. Let me explain the $2,000. I had not gone into the matter at all. That was just a casual estimate.

Q. Then, of course, Mr. Cook said you were asking too much? A. He certainly did.

Q. And then did you proceed to make a calculation about the matter? A. Yes.

Q. And I suppose there was considerable chaffering between you and Mr. Cook before you finally came down to the amount? A. We got figuring together before he left the office, and got it down to somewhere around $1,600 odd, I think.

Q. You did not finally make an arrangement before he left? A. No.

Q. Why was that? A. Well, principally, I fancy, because he had not time; he was on his way to Toronto, and had to catch the train; he dropped off there.

Q. When did it next come to your attention? A. I could not say how long; within two or three weeks; not very long. I got a communication.

Q. From whom? A. Mr. Cook.

Q. Saying what? Have you that communication with you? A. No, I think it was by telephone.

Q. What was the effect of it? A. I think he said that he found out that the amount paid for the job previously had been $1,160, or whatever the amount was that the order was given to me for.

Q. And did you then agree at that time to do the work for that amount? A. Yes.

Q. Was anything said up to that time about your handing over the work to anybody else to be done? A. Nothing.

Q. Later on you did, as a fact, get all the work done by the Ottawa *Free Press,* did you not? A. Yes, sir, that is true.

Q. And you gave them how much for the job? A. $950.

Q. So that you made a profit on it of about $200? A. Yes.

Q. Without handling it yourself? A. Yes.

Q. Will you tell us how that came about? A. Well, in the first place, when the order was made out, the time for completion was altogether so short as to be beyond our capabilities altogether. I do not remember exactly how long it was, but I think it was within the month, and an office such as ours would require a much longer period than that to complete work of that size.

Q. Had that question of the time in which you were to do the job been discussed between you and Cook when you were discussing the work? A. No, sir, that is the first intimation I had of it.

Q. You had not taken the precaution of asking how long you would have to do it? A. No, that is a point I had overlooked altogether.

Q. It was not a matter of bad faith or surprise when you got the notice that it was required in a short time? A. Oh, no.

Q. If you were surprised, was it merely because you had not asked about the matter before? A. Yes.

Q. Finding you had such a short time, what did you do? A. I do not know exactly what we did do. I think Mr. Cook asked me to come down to Ottawa, and suggested that it could be done at the *Free Press* in time; that I could arrange to have it done there within the time.

Q. You think Mr. Cook suggested you could have it done within the time? A. Yes; I would not like to say that positively.

Q. I want you to be positive about it. This is an important matter. Tell us exactly what took place; that is all you have to do? A. As my memory serves me, that is what took place. Mr. Cook suggested that the work could be done there.

Q. Then what did you do? A. I came down to Ottawa and got the order and copy of the cuts.

Q. From Mr. Cook at the department? A. Yes.

Q. Then what did you do? A. I took it down to the *Free Press.*

Q. Before you took it down there had you made any arrangement with him? A. No.

Q. When you got down there what did you do? A. I arranged with the manager to do the work; I got his quotations.

Q. You got his quotations; did you go there and ask him for what price he would do the work? A. Yes.

Q. Was that Mr. Barker you were dealing with? A. Yes.

Q. Did he say anything about Mr. Cook's connection with the matter? A. No.

Q. Did he seem to know the particular job that was to be done? A. I guess he rather expected it; he did not seem surprised, anyway.

Q. How long were you arranging the prices? A. I was probably in the office an hour.

Q. Did you know before you went there what price he would do it for? A. Yes.

Q. Who told you the price? A. I think Mr. Cook told me the price.

Q. The work was done quickly, was it? A. It was done in a special time.

Q. Did Mr. Barker or anybody else give any reason as to why he was able to do it for a smaller sum than you had got? A. No.

Q. When the work was done where the bills sent from the *Free Press?* A. They simply drew on me for the amount.

Q. And sent the bills to you, of course? A. Yes.

Q. And then what did you do? A. I sent my bills to the department.

Q. You drew on the department? A. No, I did not draw; they sent the cheque.

Q. The draft on you from the *Free Press* was a time draft? A. Yes.

Q. And was held until you got the cheque from the department? A. No, it was a sight draft.

Q. And you paid it? A. Yes.

Q. Did the work come to you, or go to the Printing Department? A. Do you mean after they completed the job?

Q. Yes? A. It went to the department.

Q. And did not come up to your office at all? A. No.

Q. Went straight from the *Free Press* to the Printing Department? A. Yes.

Q. It seems strange that the job should be given to you for $200 more than the *Free Press* here in Ottawa would do it for. Can you explain that? A. The only way I can explain would be during a dull season to take a job at a lower rate, to keep the plant in operation and to prevent the staff being disorganized.

Q. There is, on the other hand, this point: that your price was altogether too high? A. No, I think our price was reasonable.

Q. What authority have you for that? A. Why the figures that we went into beforehand.

Q. By which you mean what? A. The aggregate of the cost of paper and stock, electrotyping, labour and press work: for instance, we arrived at the $1,600 basis when Mr. Cook was in Gananoque.

Q. You mean to say that in arriving at $1,600 you considered the whole question of the cost of composition and the cost of electrotyping, paper, binding, and arrived at that time at $1,600? A. I think so; roughly you know.

Q. Then you had a reduction down to $1,160? A. Yes.

Q. That was such a serious fall from $1,600 that I do not understand how you could have taken it, if you relied on the previous calculation as being near the truth. A. I did not rely on the $1,600, because, as I stated just now, the thing was gone into very hurriedly and very roughly at that time.

Q. When you got the $1,160 offer, did you then calculate how you were coming out on the job? A. Oh, I did go into it, yes.

Q. Did you go into it very carefully? Frankly, a job of that size is pretty large, something I never had anything to do with before, and perhaps I am not altogether capable of going into it.

Q But you were undertaking the contract, and stood to lose, if you were not getting enough? A. Yes.

Q. What steps did you take to satisfy yourself you were getting enough for the job? A. I went into the cost of paper and composition and press work.

Q. And at that time, upon the expectation and the intention that you would print it yourself, in the way you have described? A. Yes.

Q. At the time you accepted $1,160 had you any thought whatever of giving it to the *Free Press*. A. Yes.

Q. You had? A. Yes.

Q. How did you get that? A. Why, when Mr. Cook told me the time in which the job had to be done, I told him we could not do it in that time, and that is when I got the suggestion.

Q. You told me a moment ago you got word about the time, not when you agreed to do it for $1,160, but later on? A. If you understood that, I think it was wrong, because I did not intend to make a statement of that kind.

Q. You mean to say that when you were told you would get $1,160, you were told you would have to do it in a month? A. That is my recollection of it. I would not say a month, but a short time.

Q. And you were then told the *Free Press* would do the work? A. Yes.

Q. That seems to bring up a very serious position for Mr. Cook, and I want you to be very careful about it; it appears this way: you had not a contract at that time: Mr. Cook telephoned you that you could get $1,160 for the job, and that you could give it to the *Free Press* for $950? A. I think the order was made out at that time.

Q. You had not received it? A. No.

Q. It was still, so far as you know, in the hands of the Printing Department? A. Yes.

Q. And there was no binding contract with you at that time? A. No binding contract with me, possibly, but the order, I understood, had gone through.

Q. That is to say, the department had decided to give it when they telephoned you? A. Yes.

Q. That is still more serious, do you mean to say that you understood that the department had decided to give it and had put through an order for $1,150, when no arrangement had been come to with you? A. No, I did not intend to say that.

Q. I want you to get it in order; you told me that you were told by telephone from Mr. Cook that you would be given $1,160 for the job? A. He telephoned me and stated that the price paid the last time was $1,150 or $1,160, whichever it is, and I could have it at that price.

Q. And you replied what? A. That I would take it.

Q. Then at the same time, in the same conversation, were you told you would have to have it out in a month? A. I think I was.

Q. And you were told that the *Free Press* would do it? A. I think that is correct.

Q. All in the same breath? A. Understand, I am not at all positive about that, but that is my impression.

Q. You strike me as a man who is likely to have a very clear and intelligent memory of business matters, and I want you, in this serious inquiry, to be very positive and clear, if you can. I want to go over the steps again. At Gananoque you and Mr. Cook considered the question of prices for which you would do the work, and, roughly calculating, you named $1,600? A. That is my impression.

Q. Mr. Cook being anxious to get away to Toronto, no conclusion was reached? A. Oh, no.

Q. He did not tell you at that time that you should have the contract whether or no? A. No, he did not tell me. He said I would hear from him again.

Q. Your understanding from that, I suppose, would be that the negotiations would go on, and if you and he could get together on the price, you would get the job? A. That is what I understood.

Q. There was no promise that you should have the job? A. No.

Q. But merely that further negotiations should take place? A. Yes.

Q. The next step in the negotiation is what you have told us, a telephone conversation, when he said the previous job had been $1,160, and you could have the same thing? A. Yes.

Q. And it was wanted in a month? A. Yes.

Q. And that the *Free Press* would do it for you for $950? A. Yes.

Q. And that the *Free Press* would do it for you for $950. So that, practically, is this the position: that, having regard to the short time, you would not have accepted that $1,150, except for the fact that the *Free Press* would do it for you? A. Yes.

Q. That is the position? A. The *Free Press,* or some other shop.

Q. Then you were told at that time that the order had gone through for you to get the work? A. No, I do not think I was told anything about any order going through.

Q. I think you told us that a moment ago? A. Oh, I am sure I was not told any order had gone through; that was my impression, that the order was through.

Q. But you had accepted the contract? A. No.

Q. And you would not have accepted it, I take it, from what you have said, at that figure, if you had not been able to get somebody else to do it for you? A. Not to turn it out in that time, because that would be an impossibility.

Q. Your evidence brings us to this position, that you were being offered $1,160 for a job which Mr. Cook said somebody else would do for $950? A. Yes.

Q. That is the position, is it not? A. It looks like it, yes, sir.

Q. Did it strike you at that time as being a peculiar transaction? A. It struck me the job was well worth the higher figure.

Q. Why should the Printing Department give you more for it than anybody else would do it for? A. I do not know that they did; I did not know for a fact that the *Free Press* would give it to the department for $950, they might, I do not know.

Q. But you did know for a fact that the department knew, through Mr. Cook, that the *Free Press* actually did the work for $950, you knew that? A. Yes.

Q. I ask you if you can afford an explanation of what, upon its face, appears a peculiar transaction, that the department should give you $200 more for doing a job of work than the department knew somebody else would get for that job? A. No, I cannot explain it.

Q. Did that not occur to you as peculiar at the time? A. I do not know that it struck me as peculiar, as I stated before, I think there was value for the $1,160.

Q. There was not value for the $1,160 to the department, if it could get it done for $950, was there? A. Well, that is—

Q. I am putting this question very plainly, and I want you, if you can, to provide me with an answer; here is a department getting printing done for the public, and it is offering you $200 more than the department knows, through the same official, somebody else will do the work for. Upon the face of it, that seems to be presenting you with $200 of public money. Can you explain that away? A. No, I cannot offer any explanation.

Q. Did you divide that profit with anybody? A. No, sir.

Q. Did you give Mr. Cook any portion of it? A. Not a cent.

Q. Did you promise him any? A. I did not promise or suggest.

Q. Did you promise it or suggest it to anybody else? A. No, sir.

Q. Did Mr. Barker, of the *Free Press*, give any reasons for accepting the job at the price? A. No.

Q. Did he say anything about the condition of their office, or reasons for taking it? A. No, sir, not to my recollection.

Q. Did he chaffer or negotiate with you about prices, or accept the price? When you walked into the office did you say "How much will you do this for," or what did you say to Mr. Barker? A. I could not say about that.

Q. You know before you went there what he would do it for? A. Yes, I did.

Q. When you were down at the Printing Department, talking to Mr. Cook, did he tell you to go and see Mr. Barker? A. No.

Q. But he knew where you were going? A. I daresay he did.

Q. Do you know that he did? A. So far as I am able to know anything, yes.

Q. Can you give us any special reason, or any reason, bearing upon this matter, why you should get patronage from the department? A. No reason whatever: it is something I was not looking for.

The CHAIRMAN.—Would you like to ask the witness any questions, Mr. Cook?

Mr. COOK.—Yes.

By Mr. Cook:

Q. When I quoted to you the sum of $1,160, did I not offer to you, in explanation of the reduction, that the *Free Press* were prepared to execute the job for a less figure? A. Yes, you did.

The CHAIRMAN.—You must not put the explanation in his mouth: ask him what the explanation was.

By Mr. Cook:

Q. Was it not thoroughly understood when I left you that the job was to go to the Gananoque *Reporter?* A. When you left me, yes, and you said I would hear from you again.

Q. The job was promised to you at that time? A. Yes, that was the understanding.

By the Chairman:

Q. You understood you would get the job? A. That is what I expected.

Q. But there was no price fixed? A. No.

Q. And you did not agree to take the job at any price? A. No, but I relied on Mr. Cook's better ability to estimate a job of that kind.

Q. Supposing he had quoted you $750 later on, would you have felt bound to take $750? A. No, sir, I would not.

Q. At that time you were reserving your right of judgment on any offer he might make you? A. Yes.

Q. Your understanding would amount to nothing more than this: that Mr. Cook was going to give you the job to do, if you and he could agree on price? A. Certainly, yes.

Q. And you knew that after he returned he would communicate with you further about the price, and that you and he would try to arrive at an understanding of the price? A. Yes.

By Mr. Cook:

Q. Did I tell you to go to the *Free Press?* A. Yes.

Q. Did I do more than tell you the offer the *Free Press* had made us? A. That is all.

Q. It was not on my order that you went to that office? A. No, sir, it was not.

Q. You made the negotiations entirely yourself? A. Yes.

Q. When I telephoned you from the Bureau, did I or did I not offer the figure of $950, the offer of the *Free Press*, as a reason for the very material reduction from $1,600 to $1,160? A. Well, I am not very clear about that, possibly you did.

ROBERT E. COOK (recalled):

By the Chairman:

Q. You have heard the evidence of Mr. Britton now present; do you wish to give evidence on the point? A. Yes, sir.

Q. State what you wish to say? A. When communicating with Mr. Britton on the telephone, informing me that the King's Printer had given me instructions to send him that immigration pamphlet, I offered the explanation of this *Free Press* offer as a justification for the reduction in the price being paid to him. It was distinctly understood at that time that the order belonged to the Gananoque *Reporter.*

Q. By whom? A. By both myself and the King's Printer, that it could not be withdrawn and sent to other offices.

Q. As to what took place in Gananoque, Mr. Britton's evidence is correct, is it? A. Practically.

Q. When you got down to Ottawa you brought the matter to the attention of the King's Printer? A. I did.

Q. About giving the work to the *Reporter?*. A. Yes.

Q. You testified to that previously? A. Yes.

Q. Did you discuss with the King's Printer what price should be offered to the *Reporter?*. A. I did.

Q. And did he approve of it? A. He did.

Q. And what price was that? A. $1,160.

Q. And how did you arrive at that? A. I took the price paid for a larger pamphlet, 64 pages, and the price paid for a smaller pamphlet, 32 pages, a similar number of copies of each, and split the difference, as this pamphlet came midway between the two.

Q. And who printed those other two pamphlets? A. I could not give you the names; they are a matter of record in the department.

Q. The result of splitting the price was the price that you decided to give the Gananoque *Reporter?* A. It was, which price was considerably lower than the regular price, if figured on the schedule allowed by the Bureau.

Q. Having arranged with the King's Printer that that was to be given, what is the next step in the process? A. I notified Mr. Britton.

Q. Before you notified him, according to the practice of the department, after you and the King's Printer decided upon the thing, did you make any memorandum in writing anywhere? A. An order is prepared for the firm, or whatever it may be, in my own branch.

Q. And who signs that order? A. Sometimes myself; sometimes the Superintendent of Printing.

Q. Does the King's Printer initial it, or in any way indicate his pleasure about it? A. No, that has not been the custom.

Q. Was this order prepared before you telephoned or after? A. No, it was prepared later.

Q. Then at the time you telephoned him you simply had the approval of the King's Printer to offer him that much? A. I had.

Q. Was it after you got the King's Printer's approval in the way you have mentioned that you had your interview with the *Free Press*? A. It was.

Q. When Barker offered to do it for less? A. Yes.

Q. Was it on the same day? A. It was the same day. He came in while I was at the telephone box, in communication with Mr. Britton.

Q. You had gone to the telephone box? A. It is in the corridor, at the door of my office.

Q. And you were there: had you commenced to speak to Mr. Britton? A. I had. I told Mr. Britton the price before. Barker figured his price roughly and gave it to me.

Q. Was Barker there when you went to the telephone box and rang up Mr. Britton? A. He came in some time while I was in the box.

Q. What interrupted your conversation in the box? A. My recollection is that I was waiting for the connection with Gananoque. I am not just clear on the point; it was between the time I asked for the connection with Gananoque and before I got it that Barker came in. We were in discussion outside of the counter in my room.

Q. What did you say to him? A. I told him that I had just received instructions to send that order on to the Gananoque *Reporter,* that I had made arrangements for it the week previously, that it belonged to them.

Q. So far as you know, had he been sent for? A. He had not.

Q. From your own standpoint, was it an accident, or a coincidence? A. It was purely a coincidence; he came looking for work, unsolicited, unsought.

Q. You had not yet communicated to Mr. Britton the fact that he was to have the order? A. No, sir.

Q. Consequently you were in a position to suppress it, if you wished? A. I did not consider that I was. It had been promised to Mr. Britton.

Q. The work had been promised to Mr. Britton, provided you and he could agree upon price, was it not? A. I think Mr. Britton is in error, insofar as the $1,600 being the figure. My own recollection is that the $1,160 was the figure that I left him with, that I had that figure before I went to Gananoque roughly figured out, and

that I knew about what we could allow for it. He was asking $1,600. He came down from $2,000 to $1,600.

Q. What do you think about it? A. I think the $1,160 was quoted to him, and that I, in substantiation of that reduction, talking to him over the telephone, informed him that the *Free Press* had made an estimate on the job, and were submitting $950 as a—

Q. Your position is this: that at Gananoque he had quoted $1,600; that you had stated $1,160 as being the figure which you could allow? A. Yes.

Q. And that you had then come to Ottawa and had obtained the endorsement of the King's Printer to give him $1,160? A. I did.

Q. Had he at Gananoque intimated that he would take it at $1,160? A. He had intimated that he would rely on my judgment, and that he would take it at the figure that I recommended as a reasonable figure.

Q. Then you mean to say that you considered that, after consulting the King's Printer, the price you fixed would, under the circumstances, be the contract with Mr. Britton? A. I did.

Q. The position, then, you think would be something like this: Mr. Brittion being a friend whom you desired to give a job to, a man not experienced in doing such large jobs, would, for both reasons, rely on your judgment as to what was the proper price? A. Yes.

Q. And for that reason, when you returned to Ottawa, the position was that you knew that he would accept the price which you decided was fair? That was the understanding when I left Britton.

Q. I am putting forward what seems to be your line of thought? A. Yes, sir.

Q. And then you say that, having, with the King's Printer's approval, decided to give him the job at that price, and having rung Britton up over the telephone to tell him, Barker came into the office, and, after the conversation which, in our previous evidence, you have described, said that they would do the job for $950, because they were badly in need of work? A. Yes.

Q. You got, then, into communication with Mr. Britton? A. Yes.

Q. And you told him the two things, that the order had been given to him and that the *Free Press* would do it for $950? A. Yes.

Q. The legal position would seem to be this: that prior to telling him over the telephone that he should have the work, you had not concluded a legal and binding contract with Mr. Britton; that seems to be the legal position? A. It would look so.

Q. And before telling him over the telephone that he should get it for $1,160, you knew from Mr. Barker that he would do the job, under the special circumstances at the time, for $950? A. I must confess I did.

Q. I want to put this proposition to you: why did you not at that moment say: "The Department can get this work done for $950, and I cannot give anybody else any more?" A. Because I considered the job had been given to Mr. Britton, and we were in honour bound to give it to Mr. Britton at the price fixed by the King's Printer and myself.

Q. First because you had promised him the job? A. Yes.

Q. And secondly because you and the King's Printer had arrived at $1,160 as a fair figure? A. Yes.

Q. In the Printing Department you had at that time, and afterwards, a rate that was allowed per thousand ems for composition? A. Yes.

Q. And for work of the kind done by Mr. Britton? A. Yes.

Q. That had been fixed in Mr. Dawson's time? A. Yes.

Q. And the rates had been furnished later on to Mr. Murphy, Secretary of State? A. Yes.

Q. And had been increased in one or two particulars? A. Yes.

Q. Are these rates such as you could apply to a work of that kind done by the *Reporter*? A. Yes.

Q. At the rates prescribed in that way, what would the *Reporter* job be worth? A. Closer to the $2,000 than the $1,160.

Q. Would those rates be such as might properly be applied to a job so large in volume as this? A. The size of the job was our warrant for getting a lump price.

Q. You mean to say that in a job where so many pamphlets had to be printed, the practice would be to look round for a lower price than the per thousand em rate would justify? A. Yes.

Q. And that would be a matter of contract? A. Yes.

Q. In the past has it been the habit to put such jobs as these up to tender and contract? A. Never by the Printing Bureau.

Q. Have they been invariably given out as a matter of judgment, of barter with the party, and judgment on the part of the King's Printer and your office? A. Yes.

Q. That has been the method? A. Yes.

Q. At Gananoque, when you were talking to Mr. Britton, was there anything said to him about the time at which the job would have to be done? A. I am of the opinion that there was, yes.

Q. Did you mention to him then that it would be required in a month? A. The exact date I could not say, but it was required expeditiously.

Q. You saw what he had, and you heard him say it would not be possible for him to have it done in a short time? A. I think that more than a month was allowed, and I do not think the work was completed inside of a month, as a matter of fact.

Q. Do you mean to say that when you spoke to him over the telephone that you did not limit him to a month? A. No, I did not, not to my recollection.

Q. Do you remember anything being said over the telephone about the time in which the work was to be done? A. No, I cannot say that I do.

Q. Was it in fact a job that required to be hurried? A. It was required within a reasonable length of time, not for a specific date.

Q. Was it limited to a month or two months, or how was it limited? A. Yes, sir, there would be a limit placed on it, otherwise it would have been retained in the Bureau and executed there.

Q. Do you mean to say the reason for putting it out was that it was required soon? A. Yes.

Q. It was going to the Immigration Department? A. Yes, it was for that department.

Q. What season of the year was this? A. This was somewhere in the spring, I think. I do not recollect the exact period.

Q. You have just heard Mr. Britton's evidence that he heard over the telephone that he would have to do it in a month: that he was surprised at that, because he had not the facilities to do it so quickly, and that he would not have taken the job to do it himself: what have you to say to that? A. That I do not think that the month was stipulated.

Q. It would not make any difference to the essence of the thing whether it was a month or six weeks: the question is this; whether you at that time first explained to him that it was to be required in so short a time that his facilities were not capable of doing the work? A. No. I do not think we required Mr. Britton to do it in a month it was not the intention to ask for that.

Q. Don't try to hang on the month; try to grasp the sense of what I said; did you over the telephone, at that time, first raise the question of the period within which the work was to be done in such a form that Mr. Britton would then first realize that he could not do that work in his own office? A. No. sir.

Q. The suggestion in Mr. Britton's evidence on that point is that in consequence of what was said over the telephone, he, for the first time, realized that his office was not capable of doing the work within the time the department stipulated for, and therefore, that he then saw for the first time that he could not take the contract unless he could get somebody else to do the whole work for him, and then he adds to

that, that at the same time you told him that the *Free Press* would do it, the deduction from that being obviously, that he took the contract then for $1,160 because he saw he could get it done for $950, and make $210 as easy as kissing his hand. What have you to say to the position? A. It was not my intention.

Q. I do not care about your intention: I want to know what you have to say as to the position; is that a correct representation of the position, and, if not, in what way is it a mistake? A. I mentioned the *Free Press* offer simply as a justification and proof that my figures of $1,160 were correct.

Q. But you still do not touch the point: did you by your conversation on that occasion so alter the conditions under which the work was to be done as to make it appear for the first time to Mr. Britton that he could not do the work in his own office? A. No, sir.

Q. Do you say that you did not at that time, by narrowing down the time within which the work was to be done, at all alter the position as it had been presented to Mr. Britton when you talked with him in Gananoque; is that the case? A. That is my recollection, yes.

Q. At least, you mean to say that is your recollection of what your representations were at Gananoque, no matter what Mr. Britton's understanding of the position may have been? A. Yes.

Q. Is there anything you want to add just there? A. No.

BYRON O. BRITTON, recalled.

By the Chairman:

Q. You have heard the evidence given by Mr. Cook, and you have been following it closely? A. Yes.

Q. What have you to say to Mr. Cook's statement that while you quoted $1,600 in your office at Gananoque, he told you there that $1,160 was about what the department would allow? A. Well, I just have this to say: that my statement was made from memory, the best of my memory, and Mr. Cook may be correct.

Q. But, having heard what he has to say, has it refreshed your memory any on that point? A. No, it has not.

Q. Without going into the exact words of what he said, Mr. Cook has represented his understanding of the position when he left Gananoque to be this: that because you and he were old friends, and you had confidence in his experience, and because you had not much experience in that class of work yourself, you relied upon him to fix a proper price, and you were promised the work with this understanding, that whatever price he fixed you would accept; is that a fair representation? A. I think that is the correct position.

Q. Always, of course, with this proviso: that if he quoted an absurdly low price, you were in a position to say no? A. Surely, yes.

Q. But still you would adhere to his judgment within certain limits? A. Yes, sir.

Q. And if it were a question of doubt in your mind as to whether the price was a fair one or not, and he said it was a fair one, would you take his judgment on the question? A. I think I would, yes.

Q. He is right enough then, you think, in this: that when he left Gananoque you were assured that you would have the work to do? A. I think that was the understanding.

Q. And that all that remained to do was for him to decide what he could give you, and for you to accept it, if it were reasonable, in his opinion, and not unreasonable in yours? A. Yes.

Q. That is a fair definition of the position? A. I think it is.

Q. Is this correct, that that day he called you up over the telephone, so far as the matter of price is concerned, if he had said to you "Britton, the department will give you the work to do and $1,160 is the price," and he had not mentioned any offer from anybody else, would you have accepted the job? A. Yes.

Q. You are very clear on that point? A. Very clear.

Q. Would you go the extent of saying that the news that you could get the *Free Press* to do it for $950 did not cause you to accept the $1,160? A. No, sir.

Q. Is that right? A. That is correct.

Q. You would have accepted the $1,160 anyway? A. Yes.

Q. Relying on the judgment of Mr. Cook? A. Yes.

Q. And your own judgment? A. Yes.

Q. On the question of time, you said a while ago that you then first learned that the time was so short, a month or about a month, that with your facilities you did not feel you could do it? A. Did I say that absolutely?

Q. Yes. A. That is my impression anyway. It is too far away to be absolutely positive. That is my impression, anyway. That is as far as I can go now. I do not pretend to state it for an absolute fact; I am not in a position to.

Q. Can you give us information on this point from your remembrance and impressions; supposing he had not mentioned the *Free Press* at all on that occasion, but had simply said "You can have this job: $1,160 is the price: it will be required in a short time, a month or thereabouts," would you have accepted it under those conditions? A. No, not over the telephone. I would not have accepted it under any condition, unless I could have farmed it out, to get it done within a very short time.

Q. What would you have done if that had been said to you without mentioning the *Free Press*? A. I would have asked for time for consideration.

Q. And your consideration would have included what? A. Simply looking about to have it done outside.

Q. In other words, then, if you had not heard about the *Free Press* on that occasion, you would have said "Wait until I consider the matter," and then you would immediately have gone out to see where you could have got it done, and at what price and what time? A. That seems to be the natural course to pursue, under the circumstances.

Q. Did you understand at the outset—I do not mean to say because of what anybody told you—was it your conception that you could get it done outside if you wanted to? A. No, sir. At the outset?

Q. Yes? A. No, sir.

Q. You did not intend to do that? A. No.

Q. But you say if you had been limited as to time in that way, and had not known of the *Free Press*, you would have inquired to see where you could get it done? A. Yes.

Q. You would not consider yourself shut off from that? A. No.

Q. There was nothing expressed to you to prevent you getting it done elsewhere? A. No, it is very frequently done.

Q. If you undertook to do a job of work for a fixed price, and then, from some cause or other arising in your business, it is not convenient, there being no stipulation in the contract against it, do you hold yourself at liberty to get the work done anywhere else? A. Yes.

Q. If you can get it as well done as you can do it yourself? A. Yes.

Q. That is a common trade practice? A. Yes. We frequently get the composition done, and do the press work ourselves; that is machine composition, you know.

Q. And that is a general custom of the trade of printing? A. I think it is; I am sure it is.

Q. There are very few offices in the printing business, outside of the large cities, in which complete work can be done in one office—complete work of magnitude? A. Yes.

Q. And even in the cities, in certain conditions of trade, the large offices get each other to do their work very properly, or portions of it? A. I presume they would. I am not familiar with the city trade.

Q. How long have you been proprietor of the Gananoque *Reporter*? A. Since December, 1905.

Q. Whom did you get it from? A. My father.

Q. What is his name? A. Freeman Britton.

Q. How long did he have it? A. Fifty years.

Q. Is your father a brother of Judge Britton, of Toronto? A. Yes.

Q. Is there any other newspaper in Gananoque? A. Yes.

Q. What is it? A. The *Journal*.

Q. I suppose you are on opposite political sides? A. Naturally.

Q. That is part of the business? A. Yes.

Q. The *Journal* is a Liberal paper, is it? A. Yes, they are Liberal—Liberal Conservative.

Q. What do you call your paper in politics? A. Liberal.

Q. Reform? A. Yes.

Q. Or Grit? A. Yes. We do not do much in politics except on occasions.

Q. But generally speaking? A. We represent the Liberals.

Q. You supported the Liberal party and the Laurier Government? A. Yes.

Q. Gananoque was in what riding or constituency? A. Leeds.

Q. That is the seat represented so long by Mr. Taylor? A. Yes.

Q. You were not a supporter of Mr. Taylor's—I mean your paper? A. Not politically. We were very intimate otherwise, but in politics we agreed to differ.

Q. I am leading round to this question; whether there was in this transaction any suggestion, so far as you are aware, of any corrupt motive on the part of Mr. Cook, in dealing with you in that way? A. Not the slightest.

Q. Either personally or politically? A. Not as far as I am aware—not anything suggested.

Q. In reference to this matter, the charge has been made against him of wasting public money, and we are desirous of having all the evidence we can on the point; that is the reason for the question. You do not regard this as an attempt to make you a present of $200 at the public expense? A. No, I did not look upon it in that light.

Q. Do you look upon it in that light now? A. No, sir.

Q. From what you have heard and inquired and from your general knowledge of the printing business, what would you say about the fairness of the price given you for that work? A. I should think it was reasonable and fair.

Q. What would you say, as a practical printer, under these circumstances, as to the price for which the *Free Press* did the work? A. I cannot see where they would get out of it with a whole skin.

Q. Anyway, there would not be any room for profit? A. I cannot see any room for profit.

Q. Would you take the job to do again to-day for the price the *Free Press* got for it ? A. I would not.

Q. Or for anything lower than the price you got for it? A. No.

Q. Would you be willing to accept that price? A. $1,160—yes, I would try it again.

Q. Anything lower than that? A. No.

The CHAIRMAN—Do you wish to ask any more questions, Mr. Cook?

Mr. COOK—No.

The CHAIRMAN—Anything more you want to give in evidence yourself?

Mr. COOK—No.

Witness retired.

The Commission adjourned.

OTTAWA, Wednesday, Feb. 7, 1912.

PRESENT:

A. B. MORINE, Esq., K. C.,
Chairman.
R. S. LAKE, Esq.,
Commissioner.
G. N. DUCHARME,
Commissioners.

F. W. STONE, sworn:

By the Chairman:

Q. What is your position? A. Managing director of Stone Limited, formerly the Toronto Lithographing Company.

Q. The present name is Stone Limited? A. Yes.

Q. You have been using the two names? A. We changed our name some two years ago.

Q. You remember the occasion when Mr. Cook, from the Printing Department, first negotiated concerning the lithographing of *Farm Grasses* in 1910? A. Yes.

Q. That would be about the end of February or 1st of March? A. Yes, somewhere there; I think it was round that time; I do not just remember; somewhere the first of the year.

Q. Your company printed the plates for *Farm Weeds* the previous year? A. Some time before.

Q. Mr. Cook saw you about lithographing the plates for *Farm Grasses* at Toronto? A. Yes, sir.

Q. Will you tell us your recollection, as near as possible, of what took place on that occasion? A. Mr. Cook came in to us, and submitted his drawings of *Farm Grasses*, and asked us to give him a price. I brought the foreman of our art department into the office, and handed him the drawings, and asked him to give me figures for producing those plates. He did this, and Mr. Cook was given prices, and said that he would very likely see us again in the course of two or three days, and he came in again in two or three days and left the order with us.

Q. Do you know where he was in the meantime? A. No.

Q. You had, of course, no formal, signed order at that time, I suppose? A. When Mr. Cook gave us the order, I handed him an acknowledgment of the order, the same as we had done the previous year. The conditions were carried out exactly the same as the previous order that was placed with us, and I might say that in the presence of this man, the manager of our art department, Mr. Cook asked us to go ahead with the work.

Q. And I might explain, so as to have it in the evidence, that this inquiry is not for the purpose of looking into your legal rights, or otherwise, but it has relation to Mr. Cook's conduct? A. I see.

Q. So that nothing you say will prejudice your legal position? A. All right, sir.

Q. When you say that Mr. Cook gave you an order, do you mean to say that he signed an order which was in writing, or gave you a verbal order? A. No, just told us to go ahead with the work, and I immediately gave him an acknowledgment of the order, and he understood, of course, from that that we were going ahead with the order.

Q. What form was it? A. A letter: we have a copy of it that I can send to you.

Q. You will kindly send it? A. Yes.

Q. Soon after was the work commenced? A. That day.

Q. And what was the first you heard about it from outside? A. I do not know. I cannot say from memory whether the next we heard was from Mr. Cook or from the late Secretary of State.

Q. In what form did you hear from the Secretary of State ? A. Received that letter which I sent you.

Q. This is the original letter which you received, is it? A. Yes.

Q. "Ottawa, 16th April, 1910: Dear Sirs:—It has recently been brought to my attention that, without my knowledge or approval, you were interviewed by an official from the Printing Bureau regarding the publication of a book for the Department of Agriculture called *Farm Grasses*. I desire to inform you that there has been no order given for any part of the publication mentioned nor will there be any given until after the instructions of the two ministers concerned have been carried out. Yours truly, Charles Murphy."

The address is "The Toronto Lithographing Company, 461 King street west, Toronto." Your stamp on that shows that was received April 18, 1910? A. Yes.

Q. Prior to receiving that letter from the Secretary of State, can you recall whether, from him or anybody else, except Mr. Cook, you received any notice to that effect? A. No, we did not receive from anybody else, excepting Mr. Cook or the Secretary of State.

Q. And you received nothing from the Secretary of State except that letter at that time? A. No.

Q. No telegram, or anything of that sort? A. No.

Q. You do not remember whether Mr Cook's visit to you or that letter came first? A. I cannot recall.

Q. But about the same time? A. It would be about the same time. I am sure of that.

Q. When Mr. Cook came to you what did he say? A. Mr. Cook told us when he came that he wanted the plates, that there had been some understanding that the minister was not satisfied with the order being placed, and that he wanted the plates, and that he would have to get further tenders, and he advised me that he would have to get further tenders from the States, that he had received tenders in Canada, but the minister wanted him also to get tenders from the States.

Q. You gave him the plates, and he went off for that purpose? A. Yes.

Q. Of course you did not get the plates back? A. Did not get them back.

Q. Later on you received a written invitation to tender for the same work, did you not? A. Yes.

Q. The publication was to be a greater number of copies, if I remember correctly? A. Yes.

Q. And you put in another tender? A. Yes.

Q. In your letter putting that in you explained that you made that tender up on the same basis as you had used when figuring for Mr. Cook? A. Yes.

Q. That was the case? A. Yes.

Q. You did not get the contract? A. No, sir.

Q. Had the basis upon which you gave figures to Mr. Cook been an ordinary commercial basis? A. Yes.

Q. Higher or lower, or in the same scale as you did other work? A. The same scale as we had worked for any of our customers.

Q. Was it a fair and reasonable scale? A. Yes, sir.

Q. Had your firm any personal relations with Mr. Cook at any time whatever? A. No, sir.

Q. You had never given him a rake-off of any kind? A. No, sir.

Q. Or had you been asked by him at any time to do such a thing? A. No.

Q. I suppose in the past you had considerable dealings with him one way and another? A. For a number of years.

Q. Had you ever had any cause to complain of his conduct? A. None whatever.

Q. How did he strike you in dealing with him? A. Very honest man.

Q. What would you say of his capacity? A. In what way, Mr. Chairman?

Q. For instance, he, of course, did not profess to be an expert lithographer; he did not know much about the business of lithography? A. I should say he only had a fair knowledge of our business.

Q. Such as a man who had not been trained up in the business might have? A. For his experience, he had a very fair knowledge of the business.

Q. Would you say as much knowledge as a man could get who had not been in the lithographing business? A. No, I would not say that.

Q. But a fair average knowledge? A. Fair average knowledge.

Q. And he had struck you as honest? A. Yes, thoroughly honest.

Q. And active? A. Yes.

Q. Had you ever seen anything in your dealings with him to give you any suspicious concerning his integrity or uprightness? A. No, sir.

Q. When you come to consider work of that kind, which is necessary in *Farm Grasses,* you have, I presume, certain bases upon which you figure your work? A. Yes.

Q. Will you give us, for instance, what is involved in work of that kind? A. In the first place, we have to make the drawings on stone. In that publication, if I remember, on some plates there were eight colours and on some nine; take the face of an eight-colour job, we will have to make the drawing; we have to make a stone to draw what we call the yellow, and we would have to have a stone to draw the red, and the blue, and the gray, and so forth, for the eight colours there would have to be eight different stones drawn for each one of those plates, and then they are transferred. In the case of the weak plates, it is a different proposition; we draw them all on the one stone; we do not have to transfer—oh, yes, I guess we do; on the two lots I guess we had to transfer these; but if they had been the one lot we would just draw them on the stone, and they would go to the press and be printed. In this case we would have to draw them on the stone, and then we would transfer them, and after they are transferred, so that you print so many on a stone, it might be—I think it was nine on a stone—they are sent to the press room, and they are printed and delivered; this particular job was delivered in the sheet—I am not sure whether it was delivered in the sheet or not. I cannot recall whether it was delivered in the sheet, or cut up partly.

Q. When you are considering the price for a job of that kind, I presume you consider what you have told us, the number of different drawings that would have to be made for each plate? A. Yes.

Q. And the question how many transfers have to be made? A. Yes.

Q. And how many impressions have to be made? A. Yes: just excuse me, I left out the proving: there is also the proving. They have to be proved, and the proofs have to be sent to the department.

Q. And, if not correct, some alteration has to be made? A. They have to be reproved.

Q. So that the price which you give upon them has relation to the number of impressions, the number of plates which have to be made, the number of transfers, and considerations of that kind? A. And the amount of work in the drawing, how long it will take a man to draw them on stone: some work takes longer than others.

Q. And then when you have ascertained in that way the number of different kinds of work and the time which it will take, and so forth you, of course, have a scale which you apply to each of these processes, in order to make up your price? A. No. In making up our estimate we give the man in charge of the Art Department the plates, and we say "How long will it take you to put those on stone, and how much will it cost with the transferring and all the operations"? And he gives us an estimate, and we make it up on that basis.

Q. In making up an estimate he, for instance, would have certain rates of prices which are applied to that class of work? A. I do not know that I would say rates: he would go to the man who is going to make the drawing and say "How long will it take to make the drawing"? A. And he would say "Eight weeks, or ten weeks, or two months" as the case might be, and it would be figured on the basis of his wages.

Q. So that you have certain bases upon which you can get down pretty accurately to what is the value of a job? A. Yes.

Q. You do not have to simply make a mere guess? A. Oh, no, we could not do that.

Q. And in giving this price to Mr. Cook, and later on in the tender, did you do so upon this well-understood basis? A. Yes, worked on that.

Q. I find that the successful tender was for $4,375 for the first 25,000 and $3,325 for the subsequent printing, while your tender was $6,270 for 25,000, and for the subsequent printing $3,375 so that you asked $50 more for the second printing that the successful tenderer did, but you asked $1,995 more for the first 25,000. The successful tenderer did that first 25,000 for about 66 per cent of your figures. Can you give me any explanation of that large discrepancy? A. Well, I cannot, from their standpoint. The only thing that I can say is this: that they evidently did not figure what it would cost to put these plates on stone. They very likely had not had any experience in the drawing of these plates, and we had, and we know what they cost, and we went on what they cost us previously. It is a very easy matter in our business to be cut a considerable amount in estimating. We have often had that occur in our commercial experience, not so much in our prints, because that is a very simple matter, but in drawings, making original drawings, there are often great discrepancies, and it is a very hard matter to estimate.

Q. I may tell you that all the other tenderers were higher than you, and the American tenderers were very much higher than you? A. Yes.

Q. Those American houses would have experience in that class of work? A. I may say that I do not think the Montreal Lithographing company would have experience in that class of work, and the chances are they would be out on their estimate of original work. I would not say that they were, but I know what it costs us to produce it, and I know positively we could not produce it less than the price we gave you.

Q. What would lead you to think the Montreal company had no experience in stone work? A. They may have had experience in stone work, but that is a different class of work altogether.

Q. I mean in this class of work? A. Because there is nobody in this country has done that except ourselves. Nobody has done it but the government, and we have always done it.

Q. Is it a different class of work from any other work done in this country? A. Of course it is colour work, but along a different line.

Q. Explain the different line? A. It is very particular work: it has got to be absolute: it has to be exactly like the proofs or they may not be accepted by the department. If we are making a sketch for a commercial house, where we have to reproduce a drawing, it would not make a great deal of difference if it was not like the original, but in this case if it is not exactly like it, it throws the line out, and the weed must be exactly like the weed, so that the farmer will know what it is.

Q. In other words, this *Farm Grasses* that was being published was a representation of nature? A. Yes.

Q. And the plates would have to be as exact as the artist's ability could make them, in colour and form and all the other requisites? A. Yes.

Q. So that it is not the work of imagination, but of nature? A. Yes.

Q. And nature absolutely had to be reproduced in that plate? A. Yes; and, if I might suggest, when the department first took up this work some years ago, the first weeds we had, they had samples made from a number of houses in Canada, and also, I think, some houses in the States, and we also made samples, and ours were

the only samples that were correct, and were accepted, and, although our price was higher, I think, we got the order.

Q. Was that for the *Farm Weeds*? A. That was for the *Farm Weeds*. That was how we got the order in the first place.

Q. You say that in ordinary commercial work exactness of colours to the original design would not be—A. Would not be as necessary.

Q. Would not be essential? A. No, not essential.

Q. Or in any work of imagination, it certainly would not be essential? A. No.

Q. But this exactness, so far as your knowledge goes, has only been required in government work? A. On this particular order in Canada.

Q. And you say that, therefore, you are the only lithographing firm in Canada that has actually had experience of this particular work? A. Yes.

Q. Having regard to the result in *Farm Weeds*, and how you came out financially in that, you assert, do you, that your figures on *Farm Grasses* were absolutely fair and proper? A. Very fair.

Q. There has been some suggestion to us; some of the proofs of the Montreal company's work have already been received, and not serious objection has presented itself, but it has been suggested to us that proof work may show fairly, but when you come to printing you may have a different result? A. Yes, sir.

Q. That is the case in practice? A. Yes. It has got to be just as carefully printed as drawn.

Q. Would that always be a mere matter of the care in printing, or would it be because of some peculiar quality which is required about the plates themselves? A. In both; it has got to be first class workmanship, and in this particular case the fitting of the register was very particular, and the paper has got to be right to get the proper register.

Q. May a lithographing company prepare a plate which gives an accurate proof, yet will not give good printing results? A. It will give good printing results if it is correctly printed and properly transferred and properly printed.

Q. Then if the lithographer has supplied plates which are capable of giving good proofs, the question whether you get good results when you come to print afterwards is not a matter for the lithographer, but a matter for the printer? A. A matare artists, transferrers and printers.

Q. Does the lithographer go on afterwards and do the printing? A. No, there are artists, transferers and printers.

Q. But in this particular *Farm Grasses*, did the contract require that all those processes should be done by the tenderer? A. Yes.

Q. So that, although the plates have been sent to the department for inspection, I presume the printing from these plates would have to be done by the contractor? A. By the man that had the successful tender, yes.

Q. The successful tender for the lithography? A. Yes, it is the whole order.

The CHAIRMAN.—I presume those plates are sent up to you for inspection, Mr. Parmelee?

Mr. PARMELEE.—No. I have received the whole 25,000, but before delivering them, I am going to have my people inspect them. It is a precaution we take in all other matters.

By Mr. Lake:

Q. What was the amount of money you were paid for *Farm Weeds*? A. I do not recall that.

Q. Have you had a considerable number of other contracts with the Printing Bureau for lithography? A. For maps.

Q. Maps only, in addition to the *Farm Weeds*? A. As far as my memory serves me, I think maps only.

Q. And these have been going on for some time, I suppose? A. Yes.

Q. Do they involve considerable amounts of money, each contract? A. Yes.

Q. And you were having them right along up to the time Mr. Cook came there in regard to *Farm Grasses*? A. Yes.

Mr. Cook had been in the habit of giving you orders practically in the same manner for maps as he gave you for *Farm Grasses*? A. Yes, and I might suggest that the previous order for *Farm Weeds* was placed exactly in the same manner that this was, and was ratified by the late Secretary of State.

Q. By Mr. Murphy? A. Yes, ratified by him. The previous order was placed with us by Mr. Cook in exactly the same way that this one was.

Q. It was placed when Mr. Murphy was Secretary of State? A. Yes, it was ratified by him, and we proceeded with the work just exactly in the same way we did with this, and we got the ratification some six weeks or two months afterwards.

Q. You had no instance in which Mr. Cook's contracts with you were subsequently annulled by the Secretary of State? A. None whatever.

By Mr. Ducharme:

Q. There was no margin in the amount for anything? You did not include any amount of $50 or anything, to be given as a bribe, or anything of that sort? A. Oh, no, no, no.

Witness retired.

C. H. PARMELEE, (recalled):

I have a statement here showing the orders given and the payments made to the Mortimers for the two years.

By the Chairman:

Q. You produce a statement of the orders placed with the Mortimer Company form January 1, 1910 to January 1, 1912? A. Yes.

Q. This statement shows what? A. There is a summary at the end. They ran it all in together, without showing the years, and at the end they make a summary, a recapitulation.

Q. The statement shows a total of $32,850.28 for 1910, and $29,130.26 for 1911, or $61,980.54 paid to the Mortimer Company, Limited, in two years. Was that work, or any portion of it given out on tender? A. Yes, a large proportion of the larger items. In the case of all the small items it is not worth while, and therefore it was taken at what are known as King's Printer rates.

Q. In this return there is not indicated what was by tender? A. No.

Q. Could that be amended by adding in the "remarks" column "Tender" where there was a tender? A. Yes, or I could have perhaps what would cover it, a supplementary statement, giving those that were by tender, they would not be so large in number, although probably larger in amount than the other, whichever you think is the best. We can put it that way, and we can put the recapitulation, so much by tender and so much by rate.

Q. Could you also indicate in the case of tender where there was competitive tenders? A. Well, they would be competitive; competitive tender and competitive price. I suppose once in a great while we may ask for a price from one firm, and if, from our knowledge and experience, we judge it to be very reasonable, and time is an element, and we have to get it in a hurry—rarely we do that—we accept one price; but the practice is to ask for prices from about three leading firms in the same line.

Q. When you speak of tenders, you do not mean tenders obtained after advertising? A. Oh, no, it would not be practical.

Q. You mean where different firms have been to give a price? A. Yes: we send a specification to several firms, selecting firms we know are in a position to do the work. I would be in no end of difficulty if I threw it open to public competition and firms tendered who were not able to do the work: I would get no sort of service at all, and would be in all kinds of trouble.

Q. Are those people you send to people who have been indicated on the patronage list? A. No, I cannot say that I have a patronage list. Practically all the firms in Canada competent to do the work, and in reach of Ottawa, are asked. Take lithograph map making, and all that, there are only three firms in Canada capable of doing the work, who have facilities, the Toronto Lithographing Company, Copp Clarke and Mortimers.

Q. In ordinary printing matters, have you a patronage list provided for you? A. No, I have not. The extent of it is this, that I have a request from my minister to see such and such people, if I find it possible to have any work that comes within their lines, that they may be asked to tender or quote, like anybody else.

Q. Is that provided for you in writing? A. Yes, sometimes it is, and sometimes it is verbal.

Q. You may have a verbal request? A. Yes, but there is no list binding me down, that I must patronize this firm or that. I must use my judgment, always looking to a good service.

Q. Take that class of printing work which can be done by ordinary newspaper offices throughout the country, have you a list of offices supplied to you for that kind of work? A. I have people recommended to me in that way, leaving it entirely to my judgment, first as to whether I have work to give out, and then, when I give it out, whether they are competent to do it, and if I consider they are, I am permitted to give them the chance to tender as other firms, whether you call that a patronage list or not. I think it would be rather a broad distinction to call it a patronage list.

Q. You can go on making the distinctions, but we will know what they mean all the same. I repeat the question, with regard to the class of work which can be done by an ordinary newspaper office, have you been supplied with a list of the various newspaper offices, have you been supplied with a list of the various newspaper offices which it was the desire you should give something to? A. I have been supplied with the names of papers, of course with that qualification, leaving it—

Q. It is not binding you down to do it? A. No: and in all cases as far as it goes is this: that they be allowed to quote or compete. I am not obliged to go and give any printing to anybody. I am obliged to see we get what we want at a fair and reasonable price, and there are no instructions to the contrary. The instructions are that I shall do that practically.

Q. But with regard to all that class of work which could be done in a newspaper office of one political stripe as well as in a similar office of the other political stripe, you would have a list you would be expected to patronize? A. Well, yes, you might call it a list. In my ordinary business transaction I do not call it a list. It might be termed a directory.

Q. Call it a directory if you like, but if you had a job of work which could be done, under the late government, by a Liberal newspaper office, you would not give it to a Conservative newspaper office? A. I would, if the Conservative newspaper office could do it to suit me and at the proper price. I do not know just what you want to get at.

Q. We had better repeat the question, because I think the facts will show it: if you had a job of work which could have been done under the late government by a Liberal newspaper office, you would not give it to a Conservative newspaper office? A. I would give it to a Conservative office if I was getting as good a service.

Q. Do you mean to say, under the late government, if you could get as good service— A. Oh, you mean under the late government?

Q. Yes? A. Oh, no.

Q. I do not mean now. I presume now, unless you get further direction, you will simply reverse the practice. You mean to say that you do what the government in power expect you to do? A. Yes.

Q. You have been in office under the late government and the present government? A. Yes.

Q. Therefore, we can only speak of the practice under the late government? A. Yes.

Q. You had supplied to you in some way or another the names of various printing offices which you were expected to patronize, if you had any work to go outside, and they could do it? A. Yes.

Q. And these newspaper offices would be all of the same political side as the government of the day? A. Presumably.

Q. You may have the same practice followed with the present government, or you may not, as time goes on? A. Yes.

Q. Did you keep a list of those in writing in the office in any way? A. No. I had no regular list. Of course, it had been going on for years and years before I was there. There were firms we were in the habit of giving work to. It is not very widely diversified. In the first place, it is only large offices can do our work as a rule, and there is a necessity to have it done near Ottawa, so that Toronto, Montreal and Ottawa—with the exception, occasionally, of an immigration pamphlet, which we put out, or the price had been fixed before, like the Gananoque *Reporter,* for instance—are the only places: occasionally a little job would be given outside, but it is largely confined to a few large cities, and in them only a few offices that really care for our work.

Q. Then might we say this was the rule or practice, after you came into office, until the change of government, that with regard to such work as they could do, and which you had to give out, you knew you were expected to give it to newspapers supporting the government? A. Yes.

Q. And with regard to the rates, except in the absence of a special rate, there was a rate in force in the department for such work? A. Yes.

Q. That had been in force, with various amendments, for a considerable time? A. Yes.

Q. From the time the Bureau started. You found it there, and it continues to-day? A. Yes.

Q. With regard, therefore, to the kind of work which was given to the Gananoque *Reporter,* an immigration pamphlet, that was the class of work that you had been giving out to newspapers when they were wanted? A. Yes, once in a while.

Q. And your rates in the office would apply to that class of work? A. Yes; that had been done for years, and these were practically repeat orders. When they got a good pamphlet, well illustrated, they would give an order for it, and when it was exhausted, they would give another order, and our records would show what was paid for years, and, as in the case of the Gananoque *Reporter,* that price was paid for years.

Q. The *Reporter* was not a repeat order? A. Not as far as they were concerned, but we had the records of what had been done of the same class of work.

Q. So that from what had been paid to other offices you could arrive at a fair rate for that work? A. Yes. When I spoke of repeat orders, I did not mean the same office, but it was a repeat order as far as having the work done was concerned.

Q. Instead of using the term "repeat order," which means another order to do the same work, you would say an order for doing a similar kind of work? A. Yes.

Q The point I wanted to get was this: in arriving at the amount to be paid the *Reporter,* you have regard to what had been paid to other offices for similar work? A. Yes.

Q. And also the scale which prevailed? A. Yes, our own knowledge of what that kind of work would be worth.

Q. And therefore, in handing that out to the *Reporter,* you were acting strictly in accordance with the practice which had prevailed in your department for a long time? A. Yes.

Q. And has prevailed since? A. Yes.

Q. It was not a class of work which you put up to tender? A. Well, no. If it had been absolutely new, then we might have been justified in putting it up to tender.

Q. But in this case it was not a class of work you put up to tender? A. No.

Q. You had not done it up to that time, and have not done it since? A. No.

Q. You would not, even in that case, go round and get competitive prices from different offices for that work? A. No, I did not consider it necessary, under all the circumstances.

Q. It had not been your practice to do that? A. No.

By Mr. Ducharme:

Q. You knew where you had to call for tenders, as you state? A. Yes, it is a very wide range. I exercised my own judgment to a large extent in respect to it. I am bound to say there was no particular pressure put on me since I have been in the Bureau.

By the Chairman:

Q. Have you any idea of the amount of contracts given out during the year? A. Yes, we could have a statement made showing it.

Q. Can you mention about the amount? A. We give it altogether, the outside printing last year came to $250,000 or $260,000. A large proportion of that is lithographic printing, map printing. Of course that goes only to three or four firms, because they are the only people in a position to do it; and there is other lithographic work. I could have a statement prepared.

Q. Would you tell us the system? A. The system is that, so far as possible, we secure competition on all the larger things; on all the larger things we try to secure competition.

Q. From three or four? A. Three or four at a time, yes. We have to judge the circumstances under which the work has to be done.

Q. Don't you think there is a danger of paying more than you should pay? A. No. The general plan has been to secure as fair distribution as you can among a large number of firms. But supposing an order comes in, and they want certain work lithographed, I will ask the firms who are doing that work. I do not ask a number of firms who have no lithographing plant and without any means of doing it. I ask them the prices, and with three firms competing there can be no collusion, and I am sure to get a fair price. It is the same in printing. Most of our printing is of a large character, and there is no use my bothering to ask a small office to tender, because a small office cannot do it, and I ask three or four large offices at a time to give me prices on it. Perhaps to-morrow another order comes in. Well, I will ask three other offices, with a view of making as fair a distribution of this as possible. I do not want anybody else to monopolize the work of the printing.

Q. But it is loose and slack enough that you should make errors of judgment? A. Oh, certainly.

By Mr. Lake:

Q. Is such a system not one that leaves considerable discretion in the hands of the King's Printer? A. Yes, but in the nature of the business I do not see how I can help it, if we are going to secure a good service, and at the same time safeguard the public as to price. It is different from contracting and railway business.

By Mr. Ducharme:

Q. Was that $5,000 order with the *Herald* given out by contract by you? A. No, in that particular case the order was given directly by the Minister of the Interior to the Montreal *Herald*, I being advised afterwards of its being given, and the terms under which it was given.

By the Chairman:

Q. Did your department subsequently pay the Department of the Interior for that advance? A. Yes. Somebody termed that the other day an improper payment. It was only improper in the sense of their paying directly instead of our paying and their paying us. The public did not suffer.

Q. It was irregular? A. Yes, but not improper.

Q. Improper only in the sense of having been paid by the wrong department? A. Yes, and that came to be paid in this way, that the Superintendent of Immigration was in England, he never had any experience with these things, and the *Herald* people, not having, perhaps, the experience they should, the accounts went direct to the Interior Department, and he supposed it was the proper thing to do, and he could be very easily misled by that, because after I became King's Printer for many years the Immigration Department gave out all its own printing, made all its own contracts for it, and paid all the bills, without any reference to the Printing Bureau at all. After I became King's Printer, the Auditor General ruled that he would pay no more accounts for Immigration printing, unless I, or some officer in our department, certified them. When it reached that stage of affairs I held that my office could not properly audit the accounts where they knew nothing about it, did not know if it was a repeat order, or if the people had the plates, and did not have sufficient information to make the audit, and if my people are going to audit, I must handle the business myself. This official did not know that, probably. He never had any experience, except the old practice, and made that mistake.

By Mr. Ducharme:

Q. When this $5,000 order came to your place, did you verify it, that it was a fair value? A. Yes. This work had previously been obtained from Rand & McNally, of Chicago, who, from their special plant, were able to do this work cheaper than anybody in Canada had been able to do it.

Q. I am just aiming at the principle? A. I was explaining on what terms it had been given, and that was on the prices we had been paying Rand & McNally for years, and prices which no Canadian company could touch, on account of Rand & McNally's special facilities; that is the only protection.

By the Chairman:

Q. In the contract given by the Department of the Interior to the *Herald,* about which you have been talking, the contract at first was given out and the prices fixed by the Minister of the Interior, were they not? A. Yes.

Q. Without consultation with you? A. Yes, without consultation with me.

Q. And the first payment made to the *Herald* was made by the Interior Department, without your knowledge? A. Yes.

Q. So that there were two irregularities in the matter, the first was the giving out of the work, and the second was the payment of the first $5,000? A. Yes.

Q. Both of those things should have been done through your department? A. Yes.

By Mr. Ducharme:

Q. Are contracts given out without your knowledge very often? A. No, I do not think it will ever happen again.

By the Chairman:

Q. You produce a statement of orders placed with the Montreal Lithographing Company since *Farm Grasses* was given on June 7, 1911? A. Yes. Here is a statement of Mr. O'Connor's account, and there is a statement of Mr. Hyde's.

Q. You submit a statement of the amount paid E. G. O'Connor for services and disbursements in connection with the investigation by the Hon. Charles Murphy into

Printing Bureau, showing a total of $2,000.37 Apparently he was given $20 a day? A. Yes.

Q. And his travelling expenses and disbursements also in addition? A. Yes. I was refreshing my memory a little about that Atlas business. I said I was not consulted. Mr. Brierly did come to me and ask me if he could go up and see the Immigration Department about that, but I was never consulted about the Immigration branch or the Interior Department about it; that is Brierly, the publisher of the Montreal *Herald*. He asked me if he might go and take the matter up with Mr. Oliver, and I gave him my permission, as far as that went, but supposing that the transaction would then come back to me and the order given by myself.

Q. You understood him to mean that he should go up and discuss the matter with the minister to see if he could get the work.

Q. And it was never reported back to you until after payment? A. No.

Q. You had nothing to do with fixing the prices? A. No.

Q. You produce also a statement of the amounts paid to Mr. John Hyde, amounting to $2,396.87? A. I had those made before you asked for the complete details.

Witness retired.

F. H. Consitt, sworn:

By the Chairman:

Q. You are employed in the Printing Bureau? A. I am.

Q. In what branch of work? A. In the superintendent's office, handling the printing; that is the work that is done outside the Bureau, under the superintendent, of course.

Q. And have you, by direction of the King's Printer, been making a search for the correspondence concerning *Farm Grasses*? A. Yes.

Q. You know all the fyles were sent to you by another official of the department? A. Yes.

Q. Have you found anything else besides these fyles? A. I have not.

Q. Have you made a search? A. Yes.

Q. And to the best of your knowledge there is nothing there? A. No, the pocket where it should be is empty.

Q. Is there any record in the pocket which showed who took it? A. There are two memos. I found there, one having reference to accounts, an account in triplicate, and the other with reference to the fyle.

Q. Does it mention what the account was about? A. It is an account, in triplicate, for paper for the *Farm Grasses*.

Q. And what is the other account? A. The other is in reference to the introductory fyle—at least the memo. states so—the introductory fyle to the *Farm Grasses*.

Q. What do you understand by the word "introductory"? A. I made the memo. myself, and I would understand, to the best of my knowledge, it had reference to the first part of the fyle, dealing with the *Grasses*.

Q. Do you know how it would begin? A. I do not know. It should begin with the requisition.

Q. From the Agricultural Department? A. Yes.

Q. Do you recall that there was a requisition? A. I cannot say that there was.

Q. Does your memo. state who took the fyle, or where it went? A. My memo. reads: "Introductory fyle to Secretary of State by Mr. Cook."

Q. That would mean that it went to the Secretary of State, and that Mr. Cook took it there? A. I could not say; I cannot say who took it; it was handed to Mr. Cook.

Q. And presumably to go to the Secretary of State? A. That is as I understand it.

Q. That is what you understood by it? A. Yes.

Q. You do not know what became of it afterwards? A. I do not know what became of it afterwards.

Q. I want to draw your attention to fyle numbered 13824. I notice that it begins with papers dated, say in October, 1910, and then in the middle I find some papers dated April 10th, and then, later on still, I find some papers dated in September, 1910. That disorganized condition of the letters by dates would indicate that that fyle had been disturbed, would it not? A. Well, it would.

Q. And the papers, apparently, not put on the fyle as they came in, but afterwards put in "higgledy-piggledy"? A. Yes, it would appear so.

Q. As a matter of fact, these paptrs were all handled by these two experts that were down investigating the department? A. They were.

Q. And that would account, I suppose, for the topsy-turvy nature of the correspondence? A. I would not say for that.

Q. You would assume that? A. Yes.

Q. In the ordinary condition your fyles would not be in that shape? A. No, they would not.

Q. In any case, you have not been able to discover, after the most diligent search, anything else on your fyles? A. I have not.

Q. And you cannot account for the whereabouts of papers? A. I cannot account for it.

Q. Do you, at present, know of any other fyles of papers, not connected with this affair, that are missing from the department? A. Well, there is one fyle that is not where it should be, and I have been unable to find it: that is the fyle in connection with some work given to the Gananoque *Reporter,* which was afterwards put in the hands of the *Free Press* by the Gananoque *Reporter.*

Q. That was also the subject of inquiry before the Hon. Charles Murphy? A. It was.

Q. And did you find any reference to it, or any memorandum? A. There is a reference, a memo. that I made myself on the corner of the envelope, stating that the fyle was returned October 27, I would not be positive as to the date, but about the latter part of October.

Q. 1910? A. 1910.

Q. On the 11th February, 1911 the fyle was handed, according to a memo. on the fyle, to Mr. O'Connor; that is Mr. O'Connor of the Secretary of State Department, and the fyle is not where it should be.

Q. You have no further record of it after it left Mr. O'Connor's hands? A. No. I have no further record.

Witness retired.

The Commission adjourned.

OTTAWA, February 8, 1912.

PRESENT:

Honourable A. B. MORINE, Esq., K.C.,
Chairman.

R. S. LAKE, Esq.,
G. N. DUCHARME, Esq.
Commissioners.

F. W. STONE, (recalled):

By the Chairman:

Q. You were to examine yesterday afternoon the printed matter received from the Montreal Lithographing Company? A. Yes.

Q. Did you do so? A. Yes.

Q. And what was the general character of the work? A. I should say it was very satisfactory.

Q. Colours good? A. Yes. Of course, when I say the colour is good, I am only going on what the expert from the department said. I did not have the originals.

By Mr. Lake:

Q. He was with you at the time? A. Yes, he was, and he said the colours were very satisfactory.

Q. And in your opinion, the workmanship also? A. The workmanship looked all right to me, all the sheets I saw. Of course I did not examine them all.

By the Chairman:

Q. How many plates on a sheet? A. Eighteen.

Q. Would you have printed so many plates on a sheet? A. Well, that would depend on circumstances: in that case I do not think we would.

Q. There is difficulty in getting the exact register, is there not? A. Yes, that is, to get the colours to register, one over the other.

Q. That is, to get perfect alignment, so that the colours register. Have you any criticism to make on the question of register? A. Well, they were out of registration in some places, but not enough to make any material difference.

Q. But enough to confirm you in your opinion that you would have done them nine on a sheet instead of eighteen? A. Well, I would not go so far as to say that. That depends to a great extent, on the view of the department, the people you are doing the work for.

Q. At any rate, it is not fair to press you on the work of a competitor, so that I will not do so. Having seen the work in its present form, what do you say about the price you originally asked? A. I say that that work in our place could not be produced at the price they asked.

Q. You mean at the prices the Montreal people are asking? A. Yes.

Q. Has the Montreal company ever been doing work of that kind before? A. Not that I know of.

Q. Do you know that it has not? A. Well, of course, I do not know that they have not, but I judge that they have not, because I think the government are the only people having that class of work done in Canada, and we have always done it.

Q. You know Mr. E. G. O'Connor, the person employed as an expert by the Printing Department in 1910? A. I met him on one or two occasions.

Q. Was that in relation to *Farm Grasses*? A. *Farm Grasses*, yes.

Q. You imported, under the order of Mr. Cook, the paper that the plates were to be printed on? A. Yes.

Q. And that paper went to you? A. Yes.

Q. In Toronto? A. Yes.

Q. To be used? A. Yes.

Q. For those plates? A. Yes.

Q. And you also imported the paper which was sent to the department for the printing part of the book? A. Yes.

Q. Which I presume is now lying in the department? A. Yes, I presume so.

Q. Where is the paper which went to you? A. In our place.

Q. Have the government paid you for it? A. No, sir.

Q. Was it specially imported for that work? A. Yes.

Q. Have you any other work for which it is quite suitable? A. No, sir.

Q. Was that matter talked over between you and Mr. O'Connor? A. Yes.

Q. What would you say was the value of the paper? A. I cannot just recall from memory. I could find out very quickly by telephoning Parmelee. He has our bill for that. I think it is in the neighbourhood of $2,000.

Q. You have paid that amount and are lying out of it? A. Yes.

Q. And you have presented a claim to the government for that amount? A. Yes.

Q. Briefly, upon that point, your claim was that you imported the paper at the order of a servant of the department, with whom you had dealt in the same manner on previous occasions, his conduct always having been confirmed previously, and you say that, under those circumstances, you are entitled to be paid, not only for the paper, but for the work you did? A. Yes, and for the interest on the money we had invested for that length of time.

Q. What is the full amount of your claim? A. I cannot recall that.

Q. About? A. I think it is about $8,000.

Q. To what condition had the work got at the time you were ordered to desist? A. We had done about $1,100 worth of work.

Q. Just describe to us the state which some of the work would have reached? A. Some of the colours were drawn on stone; of course the job was not completed, but some of the colours were drawn on the stone in the regular way.

Q. Could all the work which you had done up to that time have been availed of at any time otherwise? A. Not unless it had been added to; it had to be completed before it could be used.

Q. If you had received an order to go on with the work, would you have been able to avail yourself of all the work done before? A. Yes.

Q. But if the work had been given to somebody else, could any use be made of what you had done? A. No, sir.

Q. And consequently that, at the present moment, so far as the work is concerned, is a dead loss? A. Yes.

Q. Both to you, if you are not paid for it, and to the government, if it pays for it? A. Yes.

Q. Did you talk over that feature of the matter with Mr. O'Connor? A. Yes, he understood these facts absolutely.

Q. Will you kindly tell us, as briefly as you can, about what your conversation with Mr. O'Connor was?

By Mr. Lake:

Q. Was this before the letting of the contract to the Montreal company? A. Yes.

By the Chairman:

Q. He was negotiating with you as to whether you would continue the work or not? A. Well, he came to see me, and wanted to see some samples of the paper, and

wanted to see how far the work had advanced. We showed him the paper, and also the stone on which the work was done.

By Mr. Lake:

Q. Will you tell us about what proportion of the work on the stone was done at that time? A. It would be pretty hard for me to say just the amount of work that was done.

Q. You could not say whether half of the amount of the work was done? A. No, I could not say that, unless I looked into the particulars.

By the Chairman:

Q. You were going on to describe the conversation? A. That is about what it amounted to. He saw it, and we talked over different phases of the matter, you know. I cannot just recall from memory what was discussed.

Q. Did he say anything to you with reference to the price which you had been asking for the work? A. Excepting he said they were going to get other tenders.

Q. Did he ask you for a tender? A. Yes.

Q. What was his attitude towards you? A. Well, he seemed to feel as though they should have other tenders, and that we were not entitled to the work.

Q. I presume, from what you say, that you were pointing out to him that you had received the order in good faith, and that you had done a good large quantity of work, and had the paper on hand, and, therefore, that it was better for you to go ahead with the work? A. Yes.

Q. That was your argument? A. Yes.

Q. And in reply to that what did he say? A. He said nevertheless they would have to get tenders, and that they intended to do so.

Q. Then he was fully apprised by you of your assertion of claim on the government? A. Yes, and he seemed to feel that we had just claim.

Q. You told him you were going to press that claim? A. Yes, made that very clear.

By Mr. Lake:

Q. Did you have any correspondence with him in regard to that point? A. No, we did not correspond with him.

By the Chairman:

Q. The point I want to get clear is whether you gave Mr. O'Connor clearly to understand that you would have this very large claim against the government, whether you did the work or not? A. Yes, he understood that thoroughly.

Q. And, in the face of that, he did not endeavour to make any arrangement with you to go on with the balance of the work? A. None whatever.

Q. Was any suggestion made to you of a compromise, whereby you should do work upon some terms to be arranged between you, or anything of that sort? A. No, sir.

Q. He just insisted upon a tender to do the whole work? A. Yes.

Q. Without regard to what you had already done in that way? A. Yes.

Q. Of course, if you were successful in putting in the lowest tender, then you would go on and do the work? A. Yes.

Q. But if anybody else put the lowest tender in, the work in your hands would be lost? A. I would judge so.

Q. There could not be any arrangement for anybody else to take your work off your hands and complete it? A. Oh, no. I presume you have a letter there from the late Secretary of State, in which he said we would be recompensed for any loss we had been put to.

Q. No: was there a letter of that kind? A. We received a letter—not from the Secretary of State, but from the King's Printer, saying that any loss—I just forget how it is worded, but it should be there.

Q. About what date would that letter be? About what time of the year? A. I could not say the date of the letter.

Q. Would it be just after the plates were taken away from you? A. Oh, no, this was some time after that.

Q. Would it be at the time you were tendering for the other? A. When we refused to put our tender in, this letter came from the King's Printer, when they asked us for the second tender—that letter in which they asked us for the second tender, and that is when we decided to tender again.

Q. Would this be the letter, dated December 19, 1910, it is a long letter? A. This is the letter.

Q. Dated December 19, 1910, in which this appears: "Should your tender not be the lowest, the Bureau will be glad to consider and discuss with you any claim you may consider that you have by way of compensation for any expenditure of time or money that you have already incurred on account of this work." You received that letter just during the time the discussion was going on with Mr. O'Connor? A. When we received that letter is when we decided to put in another tender.

Q. Then on December 23, 1910, you forwarded a tender in reply to the request of the department? A. Yes, some time round that time.

Q. "We are submitting this tender without prejudice to our claim that the department have no just ground for cancelling our present contract. Whether or not Mr. Cook was properly authorized to place the order with us, the course of dealing being the same on many previous occasions, we had no reason to assume that he did not have the necessary authority, and, at all events, the giving of the contract was ratified by the subsequent correspondence which passed between ourselves and the Superintendent of Printing, as you will know by reference to your fyles under requisition 11,557, and by the fact that your department accepted delivery of a large part of the paper included in the contract. If it turns out that we are not the lowest tenderers, it must be understood that we will look to the department to pay us for the work already done, the paper, and the paper delivered under the present contract, and for such damages as we may be entitled to for the cancellation of it." That is the letter to which you refer as having gone to the department? A. Yes.

Q. You saw the Secretary of State, I presume, the Hon. Mr. Murphy, about this matter? A. Yes.

Q. More than once? A. Yes, I think on several occasions.

Q. About what time would the first of these occasions be? A. I think it was just some time previous to submitting that second tender.

Q. Here in Ottawa? A. Yes.

Q. At his office? A. Yes.

Q. Were you sent for to go there, or did you go voluntarily? A. Went voluntarily.

Q. What was the subject of the discourse? A. A discussion of the *Weed* plates and how the order had been placed, and talking of the matter generally.

Q. Did you present your claim as you have here? A. Yes.

Q. Told him you were going to demand payment, whether you got this thing or not? A. Yes.

Q. That was before the second tender was given? A. Yes.

Q. What reply did he make to you? A. Well, I could not gather from him whether he intended to let us go ahead with the work, or whether he intended asking for other tenders.

Q. You mean to say he gave you no satisfaction? A. No.

Q. Did he repel your discussion, or did he receive you in a considerate and careful manner? A. I should not say that he—I do not think he gave us the consideration he should in the matter.

Q. What was his manner towards you? A. Just in what way do you mean?

Q. Was he conciliatory and receptive, or resentful and angry, or what was the way in which he received you? A. Well he was different at different times. In some of the interviews he seemed to be conciliatory, and in other interviews he would get very much annoyed about the matter, but not, apparently, at us, more at Mr. Cook.

Q. With regard to the claim which you were putting forward, was he disposed to argue with you over the matter of your claim and give it consideration, or did he simply reject your claim? A. Well, we did not have very much argument about it. We talked over the matter, and I might say that all our interviews were most unsatisfactory. We could not get any satisfaction as to what he intended doing, or how he felt about it.

Q. Did he at any time repudiate your claim and tell you that, in his opinion, that you had no claim? A. No, sir, he never told us that.

Q. On the other hand, did he ever promise to admit the claim and dispose of it in some way? A. I judged from his attitude that he felt that we had a just claim for the work that we had done and for the paper that we had bought, and that kind of thing.

Q. Did you ever discuss with him what would be your position in case your tender was not accepted? A. Yes.

Q. And what did he say to that? A. Do you mean financially or otherwise?

Q. Yes, financially. Tell us what you pointed out to him? A. We pointed out to him that it was most unfair for him to ask for other tenders, as we had done the work as stated, and also that it might cause some reflection on us, that we had been doing business with the government for fifteen years, and that we had never had any trouble of this kind, and that our records were open, and we would be very glad to have him go into the matter as far as he wanted, and this particular instance was casting a reflection on us that we did not deserve; I went into the matter very thoroughly with him, and he did not seem to look at it in that way.

Q. Did you make it quite plain to him from your standpoint that if you did not get the contract to do the work on your second tender that you would have this outstanding claim against the department, and insist on its payment? A Yes, our lawyer made a claim also.

Q. Who was that? A. Mr. Read, of Rewell & Read.

Q. In writing? A. No, I do not think it was in writing, except that letter there, of course that is for the Secretary of State.

Q. You mean your lawyer wrote that letter? A. That letter was at our lawyer's dictation.

Q. Did your lawyer see him personally? A. Yes.

Q. Here in Ottawa? A. Yes.

Q. To present your claim? A. Yes.

Q. After the tender had been put in did you see him again? I am referring to the second tender? A. Yes, I think we saw him again after our tender had been put in.

Q. Had the contract been given at that time and a decision reached? A. No, sir.

Q. Did you ever see him after the contract was given to the Montreal company? A. No, sir.

Q. Was any attempt made on the part of the Department of Printing or the Secretary of State, after the contract was given to the Montreal company, to settle with you? A. No, sir.

Q. During 1911, for instance, was your claim pushed before the department? A. No, sir.

Q. And you heard from the department about it? A. I do not think so.

Q. Can you tell us why the matter has remained in abeyance so long, without action on your part? A. Well, I have seen the King's Printer on one or two occa-

sions and spoken to him about it, and he said that in due course the matter would be taken up.

Q. Due course appears to have occupied a considerable number of months? A. And one of the reasons for my trip to Ottawa this time was to take up the matter with the King's Printer.

Q. From the time of the contract being awarded to the Montreal Lithograph Company down to the late government going out of office, no attempt, so far as you know, was made by the department to settle that question? A. No, sir.

Q. Is there anything you want to add yourself, Mr. Stone? A. No, I do not think so. I did advise you yesterday that the order was placed in exactly the same way as the previous order for *Farm Weeds*.

Q. Yes, you stated that, under Mr. Murphy himself? A. And he ratified that.

Q. Personally? A. By a letter which he had drawn up, or a contract which he had drawn up by a lawyer, a binding contract; it was ratified the first time.

Witness retired.

The Commission adjourned.

MURPHY, FISHER & SHERWOOD,
Barristers, Solicitors, &c.
Central Chambers, 46 Elgin St., Ottawa.

February 26, 1912.

H. V. RORKE, Esq.,
Secretary Public Service Commission,
Ottawa.

DEAR SIR,—

Herewith I beg to hand you an affidavit and statement in reply to the evidence given by A. E. Mortimer, before your Commission so far as the same relates to me.

Please convey my thanks to the Commissioners for their courtesy in this matter, and oblige,

Yours truly,

CHAS. MURPHY.

Encl.

Province of Ontario, County of Carleton, To Wit:

In the matter of certain evidence given before the Public Service Commission by one, A. E. Mortimer, and a rebuttal thereof by Charles Murphy, of the City of Ottawa, Barrister-at-law:

I, Charles Murphy, of the City of Ottawa, in the County of Carleton, and Province of Ontario, Barrister-at-Law, make oath and say:—

1. That the statements contained in the paper writing hereto annexed and marked Exhibit "A" to this affidavit are, and each of them is, true and correct.

CHARLES MURPHY.

Sworn before me at the City of Ottawa, in the County of Carleton, this Twenty-sixth day of February, A.D. 1912.

L. P. SHERWOOD,
A Commissioner, &c.

This is Exhibit "A" referred to in the affidavit of Charles Murphy, sworn before me this 26th day of February, 1912.

L. P. SHERWOOD.
A Commissioner, &c.

OTTAWA, February 24, 1912.

H. V. RORKE, Esq.
Secretary, Public Service Commission,
Ottawa, Ont.

Dear Sir:—

In reply to my request for a copy of the evidence which your Commission thought I might desire to explain, you were kind enough to send me on the 20th inst. a letter containing the following particulars:—

"I have been directed to say, that it was some evidence given by A. E. Mortimer, which the Commission thought you might desire to explain. That witness referred to a letter dated August 16, 1910, addressed to you and published in the Official Report of the Inquiry into the Affairs of the Department of Public Printing and Stationery, issued by you.

The witness said that he first saw the letter in your office, it being then already typewritten; that you read it over to him and asked him to sign it; that he then read it over for himself and stated that if he were writing it, it would be somewhat differently expressed, but that you replied, 'That will answer the purpose, that is the truth practically'; to which the witness represents that he replied, 'It will answer the purpose, but it is a little bald or raw.' He said that the contents of the letter were all hearsay, so far as he was concerned. He further stated that if the language bore in one part a particular interpretation to the discredit of Mr. Cook, it was a mistake for which he was not responsible, except that he signed the letter. He concluded by saying that if he had known that the letter was going to the public, he would never have signed it, but that you told him that you were not going to make any use of the letter. If he had known that it was to be made public, he would not have signed it."

The facts connected with the letter of August 16, 1910, published on page 297 of my Official Report of the Inquiry into the Affairs of the Department of Public Printing and Stationery are as follows:—

In the course of my investigations at the Printing Bureau it became necessary to make inquiry regarding certain transactions between R. E. Cook and the Mortimer Co. Accordingly I had an interview with Mr. William Mortimer, and as his statements did not satisfy me that ordinary business methods had been followed, I gave orders to stop the work then in process of execution by the company until I could make further inquiry. In consequence of this action on my part, Mr. A. E. Mortimer came to my office early in August, 1910, to ascertain my reasons for issuing the order mentioned. I explained to him the unsatisfactory nature of my interview with his brother, and added that the company would have to explain its method of dealing with R. E. Cook before it could resume work for the Printing Bureau. Thereupon he said that his brother was a fool—that he knew nothing about business, and that I should have sent for him (A. E.) in the first place. I replied that I had interviewed his brother because I understood it was he who usually went to the Bureau and had dealings with Cook. He admitted such to be the fact, but said he had the direction of affairs, and that his brother acted under his instructions. After discussing the general business relations of the company with the Printing Bureau and the methods pursued by Cook, who was then under suspension, I asked Mr. Mortimer about his

company's connection with the work called *Farm Grasses*. I had given explicit instructions that tenders should be asked for in connection with this work, and a schedule of tenders had been brought to me by Cook. I had discovered that most of the tenders which appeared on this list had been obtained by Cook after he had given the work to the Toronto Lithographing Company, and suspected, as afterwards proved to be the fact, that the whole schedule was made up of bogus tenders, secured after the work had been let without tender, with the object of deceiving me and covering up the violation of my instructions. When I questioned Mr. Mortimer about the tender of his company, supposed to have been submitted on April 22, 1910, he smiled and said: "That was no tender. Don't you know all about that?" I replied that I did not, but that I expected him or some other member of the company to explain what had actually taken place. He proceeded to do so, and gave me full details of what had transpired between his brother and R. E. Cook. When he had concluded I told him that the matter was so serious that I wanted the particulars reduced to writing. In his presence I at once dictated to a stenographer the details that he had just disclosed, and when the statement had been typewritten I handed him a copy with the request that he would go over it with his brother, have it signed and returned to me. He then left my office saying he would comply with my request.

Having waited a few days for the return of the statement in question, and not hearing from Mr. A. E. Mortimer, I telephoned him on the morning of August 16, 1910, to come to my office. When he arrived I was engaged with Messrs. John Hyde and E. G. O'Connor, of Montreal, the two experts who were then assisting me in the Bureau investigation. In the presence of Messrs. Hyde and O'Connor, Mr. A. E. Mortimer handed me his copy of the statement saying he had gone over it with his brother and that it was correct "but a little brief." To meet this objection the statement was thereupon revised and certain changes were made herein after being approved by Mr. Mortimer in the presence of all parties in the room at the time. The corrected statement was then typewritten anew and Mr. Mortimer signed it in the presence of all parties. That having been done, Mr. Mortimer repeated for the information of Messrs. Hyde and O'Connor all that he had previously told me regarding Cook's incompetency and the excessive prices that he had paid for lithographing. In confirmation of this, and in proof that Cook had paid ten times the value of such work, I would refer you to the case cited by Mr. E. G. O'Connor at the bottom of page 149 of my Special Report.

At another interview subsequent to August 16, 1910, A. E. Mortimer informed me that Cook had promised to give his company, without tender, the letter press printing and binding of the English and French Editions of *Farm Grasses*—just as he had done with a previous publication called *Farm Weeds*. You will find evidence as to this spread on the pages of my Official Report. In addition I have a letter from A. E. Mortimer confirming his verbal statement, a copy of which is attached hereto. On the occasion last referred to A. E. Mortimer also told me of a further experience that his brother had had with Cook about the middle of June 1910 when Cook prepared two letters for signature by the King's Printer and had antedated them about two months. In view of all this information I decided to examine Mr. William Mortimer. The examination took place in due course and Mr. William Mortimer having corroborated all the statements in the letter of August 16, 1910 it was incorporated as part of his evidence. See my Official Report—Page 297.

The foregoing are the facts connected with the letter in question. There was no discussion at any time as to the use I was going to make of it, and in view of what precedes it is unnecessary to further comment on A. E. Mortimer's statement that the letter had been typewritten before he first came to my office.

In justice to the Mortimer Company I should add that the leading shareholders and directors were known to me as men of honour and unquestioned commercial standing and after the experts introduced modern business methods at the Printing

Bureau and competent hands were employed the relations of the Bureau with the company were satisfactory in every way.

As the explanation which your Commission has afforded me an opportunity of giving can be made more briefly and satisfactorily in the form of a connected narrative than by question and answer, I beg to request that you will incorporate this letter in your record.

Yours truly,
CHAS. MURPHY.

THE MORTIMER CO., LIMITED.

Designers, Illustrators, Photo-engravers, Printers, Lithographers, Book Binders, Makers of Fine Catalogues, Manufacturers and Devisers of Loose Leaf Systems.

OTTAWA, October 22, 1910.
Canada.

Honourable Chas. Murphy,
Secretary of State,
Ottawa,

Re EDITION FARM GRASSES.

Dear Sir,—

It was early in March that Mr. R. E. Cook informed us that the lithographing of this edition was placed with the Toronto Lith., but that having handled the letter press printing and binding of the *Farm Weeds* we would get the letter press printing and binding of the *Farm Grasses.* The contract called for delivery of the sheets in September and that we could expect to go ahead with the work about that time.

We remain,
Yours truly,
THE MORTIMER CO., LIMITED.
A. E. MORTIMER.
General Manager.

'Public Service Commission

1912

EVIDENCE

RE

Conditions in the Civil Service

REPRESENTATIONS BY CIVIL SERVICE ASSOCIATION.

OTTAWA, February 13, 1912.

PRESENT:

Honourable A. B MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

A deputation from the Executive of the Civil Service Association, consisting of Mr. Ormond Higman, President; Mr. R. H. Coates, Vice-President; Mr. A. Pare, Vice-President; Mr. R. Patching, Treasurer; Mr. E. L. Brittain, Mr. A. D. Watson, Mr. C. E. Bleakney, Mr. J. C. O'Connor and Mr. Alexander M. MacMillan, Secretary, waited upon the Commission in order to present their views.

The CHAIRMAN.—Mr. Higman, we will be pleased to hear you now.

Mr. HIGMAN.—Mr. Chairman and gentlemen of the Commission:—We are here in response to an invitation from your Commission to lay such matters before it as may be deemed advisable both by yourselves and by the Executive of our Association. I understand it is your wish that we first take up the questions mentioned in the Memorial recently presented to the Prime Minister. There will be other questions, I imagine, that it will be found necessary to bring to your notice. I have two or three topics in my own mind, but these have not yet been submitted to the Executive and I can only mention them, such as the classification of engineers, the providing of a class for mechanics and the status of men who are in charge of important technical branches, but who are attached to departments for the purposes of administration with whose work there is not the slightest affinity. These, however, as I say, will first have to be submitted to the Executive of the Association, and can be presented in due course. I understand that it is your wish that we take up the questions on the Memorial, and I would ask Mr. O'Connor and Mr. Bleakney to speak on behalf of the question of the third division.

The CHAIRMAN.—Before we hear Mr. O'Connor I think it would be proper to say something in reply to what you have already stated. The idea which the Commission have of the way in which it would be best to proceed with the inquiry, as far as you are concerned, is that it should be taken up topically, probably in the order of the Memorial to the Premier. If that is agreeable to you we would hear what is to be said, we would ask such questions as occur to us now, and we would be glad to hear other members of the deputation, beside those who immediately present your views, say anything they have upon these topics, so that as far as possible nothing may be left unsaid. You will understand then that we shall regard that as merely between the subjects, and will pursue our investigations further by inquiry from the source which seems to be indicated by the subject itself from time to time, and by further inquiry, if it should prove necessary, with yourselves on such things as may occur while we proceed. The Commission fully intend, I may say to you, to visit every department of the government and every branch of every department. As far as in us lies we shall make our searching very complete and thorough, looking at all the subjects from your standpoint and then from the other standpoint of the public

service and the departmental needs. It will of course take some time to do that and we are not going to hurry ourselves about it, because we feel that the great need is thoroughness and a complete understanding of the position. I want to say for myself and my colleagues that we shall carry out this investigation in the fullest sympathy with the Public Service as a Service.

Mr. LAKE.—(hear, hear)

The CHAIRMAN.—Desiring to do nothing but good to every deserving person and to the Public Service as a whole. Therefore we wish you to keep yourselves in close sympathetic touch with us as we go along from day to day. If we found any difficulties we shall be quite frank in telling you what those difficulties seem to be. From your knowledge and experience of the Public Service you ought to be able to give us very valuable assistance, and we have confidence already that in so doing you will not regard the matter from the personal standpoint, but that you will look at it from the public standpoint as well. With that spirit we enter upon the investigation, and it will not be our fault if it does not result advantageously; we will at least give it good faith and attention. We will now hear you on the first stages, and I may say furthermore that we shall not cramp you, or ourselves, for time. After we have taken up enough time one day in the matter, the subject, if it is not exhausted, can be adjourned and we can receive you again without inconvenience to both sides, so that nothing will be slighted at our examination. We will be very glad now to hear you upon the subjects referred to in the Memorial.

Mr. HIGMAN.—I think I may very safely promise you that you will get all the assistance it is possible for the association to render, and perhaps I might be allowed to recommend, or to suggest, if I dare to do so, in view of the fact that some of these matters have been pending for quite a long time, and in view of the further fact that it may be many months, possibly not within the present year, before you will be able to present a comprehensive report on your work, that it may be found possible to submit to the Government from time to time interim reports on the more pressing subjects. Some of these matters we consider among ourselves should have been settled long ago, and we would try by all fair and right means to abridge the time that may elapse before action can be taken with regard to them.

The CHAIRMAN.—We have the power and the intention to report from time to time upon all subjects within our jurisdiction as occasion may arise, and where there is any pressing necessity and the subject can be dealt with by itself, without in any way prejudicing other subjects which have to be dealt with, we would of course be ready to present an interim report.

THE THIRD DIVISION.

Mr. O'CONNOR.—Mr. Chairman and gentlemen of the Commission. In presenting this matter of the third division, I feel that I deal with one of those subjects which certainly, if any subject demands it, calls for immediate action. The question has been pending now for over three years, and the suffering entailed on certain members of the third division in that time has been increasing. The difficulty is set out in this memorial, but for the benefit of one not acquainted with the history of the case it might perhaps be as well to review the matter. When the Civil Service Amendment Act of 1908, was brought into force there were two divisions made in the Public Service. One was to the clerical or routine division, while the other, comprising two separate divisions, was to be the administrative division. In applying the new conditions to the old, certain injustices arose which have not been remedied to this date. The new conditions lay down very clearly and plainly how certain offices were to be classified, and this classification was to be carried out shortly after the coming into

force of the Act. For the convenient bringing of the Act into force, the Act also stated that clerks receiving certain salaries would be drafted into certain classes or divisions under the new regulations. If a complete reorganization had been carried out shortly after the coming into force of the Act, many of these anomalies would have been overcome, but such was not done. Efforts were made in some cases to overcome the difficulties, but in no case were they completely successful. The regulations of the Commission then, under the Amendment Act of 1908, laid down the rule that clerks to be promoted from this routine division to the higher divisions of the service must pass an examination substantially equivalent to the examination set for entrance to the higher divisions.

The CHAIRMAN.—Will you allow me to ask you questions as you proceed?

Mr. O'CONNOR.—Yes, sir.

The CHAIRMAN.—If that be done we may elicit the facts better as we go along. You said a moment ago that two divisions were provided for. Do you mean by the Act of 1908, or the old Civil Service Act?

Mr. O'CONNOR.—By the Act of 1908 two broad divisions were created, but really there are three divisions in the service.

The CHAIRMAN.—The word 'division' is already used in the Act with sufficient muddiness. I would like you to be a little more clear because in the Act two divisions are spoken of. First with regard to the Inside Service and the Outside Service it speaks of divisions, and then later the Inside Service is divided into three divisions, and then each division is divided into subdivisions. Now I would like when you are speaking of that, to make the terms a little clear because we shall get mixed up with the Acts if you do not.

Mr. O'CONNOR.—Yes, sir, I see.

The CHAIRMAN.—You say under the Act of 1908 the Service was broadly divided into two classes. Shall we call it two classes?

Mr. LAKE:—You never term them the lower division and the higher, do you?

Mr. O'CONNOR:—No, they are not described in that way.

Mr. LAKE.—That would really describe the difference between the second and third divisions.

Mr. O'CONNOR:—Yes, of course, but there are minor divisions that would complicate that question.

The CHAIRMAN:—What you want us to understand is that the principle upon which the Act of 1908 was framed was that there were two broad classes of work.

Mr. O'CONNOR:—Yes, that is the idea.

The CHAIRMAN:—And how do you describe these classes?

Mr. O'CONNOR.—One is called the administrative or executive, and the other is called the routine or clerical.

The CHAIRMAN.—The lower class you would call routine?

Mr. O'CONNOR:—Yes, the routine class.

The CHAIRMAN.—And the other the administrative or executive?

Mr. O'CONNOR:—Yes.

The CHAIRMAN:—Now proceed from that point.

Mr. O'CONNOR:—The regulations of the Commission provide that a clerk to pass from the routine or clerical division of the Service to the higher division must pass

an examination substantially equivalent to the examination set for entrance into the administrative division.

The CHAIRMAN.—Now just wait for a moment. The routine class—I will use that word—would include what divisions of these which are mentioned in the Act?

Mr. O'CONNOR:—The third division.

Mr. HIGMAN.—Subdivisions A and B.

The CHAIRMAN:—Would that be the whole of the routine class?

Mr. HIGMAN:—Largely I think.

Mr. O'CONNOR:—Yes, that would be the whole, except the messengers.

The CHAIRMAN:—They are below that again?

Mr. O'CONNOR.—They are in a different classification.

The CHAIRMAN.—But what you call the copying and routine work forms the third division of the Civil Service, does it?

Mr. O'CONNOR:—It is supposed to.

The CHAIRMAN.—I mean to say that is the theory of the Act?

Mr. O'CONNOR:—Yes, that is the theory of the Act.

The CHAIRMAN:—Quite so. You were going on to say that the Commission made certain provisions.

Mr. O'CONNOR:—They set this examination, as I say.

The CHAIRMAN:—Called the promotion examination?

Mr. O'CONNOR:—Or substantially the equivalent. In the first regulations the examination was simply said to be substantially the equivalent. In the later regulations it has been definitely laid out and we find that the term is properly used.

The CHAIRMAN:—You are speaking now, of course, of the promotion of clerks who were in the Service when the Act of 1908 came into force?

Mr. O'CONNOR.—Yes. For those who came into the Service later we have no case at all. They came in under certain conditions.

The CHAIRMAN.—Found in the Act itself?

Mr. O'CONNOR:—Yes, and I suppose they are willing, and ought to be willing, to abide by those conditions.

The CHAIRMAN:—Yes.

Mr. LAKE.—I see the Commissioners said in their last report, that the revised regulations provided for a considerable reduction in the requirements for the promotion examination from the third to the second division. Has that been your experience?

Mr. O'CONNOR.—Yes, sir, but there is something that has been omitted in the report. We have had that matter up for discussion several times, and I think the circumstances will be found to be these: that when the examination was set it was, roughly speaking, the standard of second year university work, but when the Commission published their request for candidates to take this examination they found they had not obtained enough to fill the positions that were vacant. So the standard was lowered. But the standard for promotion at the time the first regulations were in force was substantially equivalent to second year university work. The standard for promotion now is substantially equivalent to the lowered standard of entrance. So while there has been a lowering of the standard it is not alone in the promotion examination but in the entrance examination also.

The CHAIRMAN.—Well now, with regard to the persons in this class who were in the Service when the Act of 1908 came into force, they cannot pass from the third division. In passing from the third division to the second what is required of them?

Mr. O'CONNOR.—That they take an examination which includes all the subjects required of a clerk taking the open competitive examination, except that they may substitute two papers on duties of office for two of the optional subjects.

The CHAIRMAN.—Have not clerks in the third division the right to take the competitive examination for the second division?

Mr. O'CONNOR.—Yes, under certain regulations.

The CHAIRMAN.—That is provided by section 26 of the Act of 1908:

> "Clerks in the third division shall be permitted to enter for the open competitive examination for the second division, after such term of service and under such other conditions as are determined by regulations made by the Governor in Council on the recommendation of the Commission."

Mr. O'CONNOR.—Yes, sir, that is laid down in the regulations, but of course some clerks in the third division are receiving more salary than they would be entitled to after they had passed an open competitive examination.

The CHAIRMAN.—Yes. I do not want to deal with that just now. What I want to know is this: a clerk in the third division, as the law is at present, cannot rise without a competitive examination. Is that the case?

Mr. O'CONNOR.—Competitive or promotion.

Mr. HIGMAN.—I think what Mr. O'Connor would like to explain is this: that the promotion of the clerk in the third division requires of him to pass the same examination as the entrance to the second division. That is, the entrance examination to the second division is the same as for promotion from the third division to the second division.

The CHAIRMAN.—And what you say upon that point is that when these people entered the Service they had the right to promotion without any further examination?

Mr. O'CONNOR.—With an examination much simpler than the one which is set now.

The CHAIRMAN.—Under the old Civil Service Act.

Mr. O'CONNOR.—In some cases no more was required than the duties of office.

The CHAIRMAN.—Under the old Civil Service Act, before the Act of 1908 was enacted, would a clerk who is now in the third division have to pass such an examination as is required at the present moment to get into the next rank above.

Mr. O'CONNOR.—No, sir. He would have to pass an examination but it would be much simpler.

The CHAIRMAN.—What would it be called? A promotion examination?

Mr. O'CONNOR.—It was called a promotion examination and the number of marks he took in that examination generally would indicate how far he might be promoted without a further examination, although it would not entitle him to a promotion.

The CHAIRMAN.—At the present moment I find that subsection 2 of section 26, to which I think you make a reference, says:

"Any person placed in the third division upon the coming into force of this Act, may, by the Governor in Council, upon the recommendation of the head of the department, based on the report in writing of the Deputy Head, and accompanied by a certificate of qualification by the Commission, to be given with or without an examination, as is determined by the regulations of the Commission, be promoted from the third division to the second division without an open competitive examination."

What is the practical difference to-day between the examination which one of the old clerks in the third division has to pass, and the open competitive examination which other people have to pass?

Mr. O'CONNOR.—Well, I can see no practical difference for this reason: up to the present a sufficient number of clerks have not passed the open competitive examination to fill the positions which were vacant at the time. Therefore any clerk who took the open competitive examination, if he made the minimum number of marks, qualified himself for a position in the Service. The minimum number of marks for the open competitive examination is the same as the minimum number of marks for the promotion examination, except in these two papers on the duties of office, therefore a clerk who took the promotion examination would have to take just as good marks on examination as a clerk for the open competitive examination.

The CHAIRMAN.—In other words, a third class man who had been in the Service before 1908 has to pass in reality as severe an examination as though he were an outsider?

Mr. O'CONNOR.—Quite so, that is exactly the position. Of course, for a man leaving school, the open competitive examination could not be said to be at all difficult, but for those who have spent some years in the service it is difficult, more especially if they attend particularly to their duties. Because in some cases their offices are not properly lighted, and after a man has put in so many hours a day in the office he is not really in shape to go home and devote several hours more to studying.

THE CHAIRMAN.—Then you are brought into competition really with boys from the schools and outsiders of all kinds.

Mr. LAKE.—It is really a University examination, is it not?

Mr. O'CONNOR.—Hardly as difficult. It is about the standard of matriculation. I think some subjects may run a little higher.

The CHAIRMAN.—I find section 24 says: "Promotion, other than from the third to the second division, shall be made for merit by the Governor in Council upon the recommendation of the Head of the Department," &c., I suppose that section means promotion from the second to a higher grade, does it?

Mr. HIGMAN.—From B to A.

Mr. COATES.—Or from two to one of the administrative classes.

Mr. LAKE.—There is one other question I would like to ask you before we get any further. When the new Act of 1908 came into force, there was a line drawn between the different divisions, first, second and third.

Mr. O'CONNOR.—Yes.

Mr. LAKE.—That line was practically drawn on the lines of salary?

Mr. O'CONNOR.—Yes.

Mr. LAKE.—That is to say the man who was receiving a small salary was placed in the third division.

Mr. O'CONNOR.—Yes.

Mr. LAKE.—As a matter of course. Those receiving greater salaries were put into the other division. Then I gather from the Act, it was understood that each department was to immediately proceed with an organization in which it would draw up the duties appertaining to the different branches, ascertaining the duties which the various clerks were performing, and then proceed to adjust the status of the different clerks by divisions according to the duties which they were performing then without reference, entirely at any rate, to the salaries.

Mr. O'CONNOR.—Yes.

Mr. HIGMAN.—That organization has never been made.

Mr. LAKE.—Was that the intention?

Mr. HIGMAN.—I think so.

Mr. LAKE.—There has been no organization carried out in any of the departments since that time, has there?

Mr. O'CONNOR.—No. I think we can safely say as far as the third division is concerned, there has been no case where a man who was found to be doing second division work was put into the second division on account of an organization of the department being carried out after the coming into force of the Act. In some of the higher divisions it may have occurred in the way of promotion, but as a general thing that organization has not been carried out, and that is one of the great difficulties that we find.

Mr. LAKE.—That was one of the main intentions of the Act.

Mr. O'CONNOR.—That is what we thought.

Mr. LAKE.—Otherwise it would be an unfair thing to make that straight line founded on salaries.

Mr. BRITTAIN.—There was some agitation about organization and then there was a classification based on the salaries and the duties of the official were signified opposite the name when that classification went through. That classification was made under clause six, but it was never pretended that it was a fulfilment of clause eight.

Mr. LAKE.—So that if this had been carried into effect, the probability is all the third class clerks who were doing work which really came under the heading of administrative or executive duties, would have been advanced into the second division without any examination at all?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Evidently the Act, as you read it, proceeded upon this principle, that it was not possible at that time to make an equitable arrangement completely, and the Act provided for divisions, and examinations and promotions. But section 8 overrides them all and says:—

> "As soon as practicable after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by Order in Council, due regard being had to the status of each officer or clerk as the case may be."

That meant that at the passing of the Act the organization should be determined and the clerk should be placed in his proper place.

Mr. O'CONNOR.—That is what we understood, and if that had been carried out there would have been some in the third division of course, who would have been left behind, because the work that they were performing at that time was only routine

or clerical work; but these men, even after the organization would have been carried out, would have had a right to further promotion under the terms under which they entered the Service.

The CHAIRMAN.—Then you have really two grievances on the point. One is you say that the organization provided for by section 8 was not carried out?

Mr. O'CONNOR.—Yes, that is so.

The CHAIRMAN.—And the second point is you say that there was an inherent right in every man who is in the Service at that time to be allowed his promotion

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—To be allowed his promotion on the basis which obtained at the time he went into the Service.

Mr. O'CONNOR.—Yes, that is the position.

Mr. HIGMAN.—Or, as the Act states, his status should not be interfered with.

Mr. O'CONNOR.—That is covered by Section 35.

The CHAIRMAN.—You think that under Section 35 the word "status" includes not only the standing which he had but the equitable rights which he had?

Mr. O'CONNOR.—Yes, we think so.

The CHAIRMAN.—Status may not mean only the position he occupied.

Mr. DUCHARME.—Does promotion apply only to salary, or does it apply also to the work to be done? A third class man asks and gets an increase of salary every year until such a limit is reached. Then if he passes his examination, what you call promotion, on going into another class does he at the same time change positions, or does he get the salary of the second class and still continue to do the same work?

Mr. O'CONNOR.—Under a proper organization I do not believe it would be possible to do that unless the man's work had increased in quantity—well, hardly in quantity, but say in importance.

The CHAIRMAN.—In quality.

Mr. O'CONNOR.—Yes, in quality during the time that he was engaged in performing it.

The CHAIRMAN.—The question which Mr. Ducharme put was on the tip of my tongue to ask. A man may go from the third division to the second division now, provided he pass his examination, without altering the work which he is doing in the department.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—So that his salary may be increased without any increase of his work?

Mr. O'CONNOR.—Yes, but in a good many departments there is considerable work that was thought to be third division work which takes second division men to perform.

The CHAIRMAN.—I was just going to ask you in regard to that. I observed a department myself the other day where a considerable amount of the purest, or commonest kind of routine work, which a junior without much experience could do, was being done by a pretty high-priced man in the second division. That resulted, of course, from the fact that he had obtained his promotion to the second division without there being any real requirement for a man of higher capacity in the branch he was in.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—That takes place under the Act at present.

Mr. O'CONNOR.—Yes, but of course the position with a good many clerks in the third division is, that on account of this reorganization not being carried out many of them are doing second division work, and when they pass an examination they simply obtain what seems to them their vested rights.

The CHAIRMAN.—Well, I suppose you have this difficulty in the service—that men are getting old, that their families and expenses are increasing from the time they enter the service, and they require more. And then vacancies are not occurring in the upper branches as rapidly as they ought to occur, and the result is men are kept getting into the higher division although their work is not changed.

Mr. O'CONNOR.—Well, we have not noticed that so much.

The CHAIRMAN.—That is the case, is it not? I have noticed it myself.

Mr. O'CONNOR.—It is undoubtedly in some cases, but there is an increase in the work which in dividing up in the department—

The CHAIRMAN.—I admit all that.

Mr. O'CONNOR.—Has caused greater responsibilities.

The CHAIRMAN.—Yes, and the Service is growing all the time, fortunately for its merits, otherwise it would be stagnant. I do not want to interrupt you, it is only to illustrate as you go along. Now go back please to the point you were discussing if you can.

Mr. O'CONNOR.—It is all right, sir. I think we have dealt with some of the important points. The matter has been fairly well threshed out now, and the great difficulty is to convince the powers that are, that there are those in the third division who are now doing second division work, and that there is no necessity for setting an examination for those clerks in order to allow them to pass into that division. That phase of the question, of course, is dealt with, with regard to reorganization, or organization, and we have taken it up later on in our memorial. But with regard to the third division we find that in a great many cases men are now brought into the service under the open competitive examination for the administrative branch, and they are taught their duties by third division men who are unable to pass the examination and therefore unable to get into the higher division. We think that a proper organization would overcome a great many of these difficulties, while the examination overcomes none of them. We cannot see that a man's efficiency is added to in any way by taking an examination. It may be that years ago a man might have passed that examination with comparative ease, but, as I said before, with increasing work in the office and increasing responsibilities outside of the office, he is unable to take up the work and to put himself in a position to pass examination.

The CHAIRMAN.—He may be becoming very much more efficient in the work of the office and very much less efficient in general book knowledge.

Mr. O'CONNOR.—Quite so, more especially since the subjects of the examination only touch the work of the office in a few cases. For instance, there is arithmetic, algebra, geometry and so on, which might touch the work of a few offices. Then composition, orthography and so on, might touch the work of secretarial branches, but the whole examination touches the work of very few branches.

The CHAIRMAN.—I do not think there is a professional man of Canada at the bar to-day, who has got a good position by the amount of his work, that could commence to pass any of the examinations which were required for him to enter the bar when he was a young man.

Mr. O'CONNOR.—That is practically the position.

The CHAIRMAN.—Personally I would not attempt to pass any of the examinations that I took twenty years ago, and yet I think I am a much better lawyer now than I was at that time.

Mr. O'CONNOR.—That is precisely the position. We feel that we are much better civil servants than we were a few years ago, and we think we cannot add anything to our efficiency by passing an examination, although we can prove it in the office at our work and in the discharge of our duty, and we cannot see that in the case of those who came into the Service before 1908 anything can be gained by insisting on this examination.

The CHAIRMAN.—Could you supply us with the names of the clerks that were affected? Not the clerks who have passed their examination and so got into the second division, because with regard to them there is no hardship; but those who are still remaining in the third division who entered the Service prior to 1908 and who have these rights. Can your Association supply us with the individual names of these persons?

Mr. O'CONNOR.—I think so. I do not know that we could give an exact list but I think it would be approximately correct.

The CHAIRMAN.—If you could not give us an exact list, is there any way by which a list can be obtained?

Mr. O'CONNOR.—It can be obtained from the respective departments. They have all these names on their record.

The CHAIRMAN.—If you can undertake to assist us in that regard it will save us a lot of labour and present your case exactly.

Mr. O'CONNOR.—Do I understand the request to be for a list of the clerks who passed a promotion examination before 1908? We have three classes of clerks who were in on the 1st September, 1908.

The CHAIRMAN.—I want a list, and you can classify them as you like. You say at page 3 of your Memorial: "That all clerks in the third division who had passed the qualifying and promotion examinations prior to September 1, 1908, be eligible for promotion without further examination." Now, can you give me that list?

Mr. O'CONNOR.—Yes, we have that list.

The CHAIRMAN.—Well then, the clerks in the third division who have passed the qualifying, but not the promotion examination. Can you give us that list separate from the other one?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Then that class in the third division who have not passed any examination. You can give us that list, can you?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—If you provide us with these three lists it will be very important to us, because we shall then know how wide the scope of your request is. How many are there, in the first we will say?

Mr. O'CONNOR.—There are 111 in the first.

The CHAIRMAN.—And in the second?

Mr. O'CONNOR.—I have not got the extra number.

Mr. BLEAKNEY.—I think about 206.

The CHAIRMAN.—And in the third?

Mr. BLEAKNEY.—The difference between that and 1,243 would make up the list. There are a great many girls.

The CHAIRMAN.—Then these three classes affect 1,243 of the present civil servants.

Mr. BLEAKNEY.—Who were in the Service in 1908. Some have dropped out since.

The CHAIRMAN.—I would like you to revise your figures and bring them up to date, because if we wait long enough there will not be many left.

Mr. LAKE.—Previous to 1908 how long could a clerk remain in the third division without qualifying for promotion to the second.

Mr. O'CONNOR.—In some of the departments when a clerk went he was put into say the junior second class to qualify for a higher class. In other departments the practice was that when a clerk was recommended for promotion he should take the examination and show that he was qualified.

Mr. LAKE.—The practice has varied in different departments.

Mr. O'CONNOR.—Yes.

Mr. HIGMAN.—Then there is the question of the clerk being recommended by the deputy minister for promotion. It matters very little whether he passes all the examinations. If he is not recommended he will not go up.

Mr. LAKE.—It is a matter entirely of selection in the hands of the deputy minister himself?

Mr. HIGMAN.—Practically so.

Mr. LAKE.—Could you give the ages of those clerks when you are furnishing us with a list of them?

Mr. O'CONNOR.—We could, I think, give the ages. We have not that information at present.

The CHAIRMAN.—We have that information in the Civil Service List, but we would have to get the names in order to make use of it. Will the names be supplied in the list furnished by you?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now, in regard to the old system prior to 1908, the Inside Service was divided in what way? Tell us briefly.

Mr. O'CONNOR.—Well, there were classes. The third class clerkships ran from $500 to $800, the junior seconds from $800 to $1,100, the senior seconds from $1,200 to $1,500, the first class from $1,500 to $1,900, the chief class from $1,900 to $2,500, and grade A from $2,400 to $2,800. Grade A corresponded really to Division 1 A as it is at present.

The CHAIRMAN.—Was an examination necessary on promotion from one class to another under the old system?

Mr. O'CONNOR.—In most cases I think it was. There were some exceptions under the Act. Technical men were not required to take the examination.

The CHAIRMAN.—I am not referring to those who have to pass no examination whatever. Technical men were provided for under Section 43 of the old Act, there were exemptions from examinations.

Mr. LAKE.—There was no bar to a man entering the Service as a third class clerk passing right through in regular course up to head clerk?

Mr. O'CONNOR.—Oh no, that has been done repeatedly.

The CHAIRMAN.—There is no bar to-day.

Mr. LAKE.—Except that he has to pass an examination between the third and second division, which is really a literary examination.

The CHAIRMAN.—Under the old Act there had to be a promotion examination.

Mr. LAKE.—Was there any examination beyond the examination of qualification for the duties of the office?

Mr. O'CONNOR.—Well, in some cases there was an examination set, say in composition, spelling, arithmetic, and so on, but this examination was often easier than the qualifying examination, so that it did not really offer any obstacle to a man who could take it in a few years after he had entered the Service, and a man was allowed to qualify for the very highest examination by the marks he had taken in this examination.

The CHAIRMA.—In the first examination for instance?

Mr. O'CONNOR.—No, his first promotion examination.

The CHAIRMAN.—He would take one promotion examination and qualify, if his marks were high enough, for the highest.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Although for the time being he would take an examination below the highest.

Mr. O'CONNOR:—Yes.

The CHAIRMAN:—Then he would have to pass a subsequent examination, is that your idea?

Mr. O'CONNOR:—That is the point.

The CHAIRMAN:—Could he take that promotion examination at any time during his career?

Mr. O'CONNOR:—The time was generally set by the department, as I was just remarking to Mr. Lake. In some departments the practice was to ask a man to qualify as soon as his appointment was made permanent. In other departments the practice was not to allow a man to qualify until he had been recommended for promotion. Something of the same system as prevails now. A man is not allowed to take this promotion examination from the third to the second division until he has been recommended for promotion.

THE CHAIRMAN.—Is that so with regard to your third class clerks to-day who were in the Service before 1908?

Mr. O'CONNOR:—Yes, they are not allowed to take the promotion examination.

Mr. LAKE:—I presume he could go outside and take the examination in competition with the other candidates, could he not?

Mr. O'CONNOR:—He could, but he would not be sure then of getting as much salary as he was getting at the time. There is another point that comes in there. We deal with it later on in the Memorial, but it really affects the third class very much. That is if a man is over 35 years of age he is not allowed to take the open competitive examination either for the routine division or for the administrative division. Now in the one case, say a messenger is in the Service for ten years. Suppose he enters the Service at the age of 25 and by the time he is 36 he feels that he has enough education to take the lower grade examination. He is not allowed to take it in open competitive examination but there is no promotion examination provided. It seems a sort of humiliating that he cannot serve the government in a higher position simply because the regulations are not favourable.

The CHAIRMAN:—Are you referring now to the old clerks?

Mr. O'CONNOR:—To any class.

The CHAIRMAN:—You are travelling away from these people you speak of in the third division.

Mr. O'CONNOR.—Not exactly. Suppose a third division clerk is in subdivision B. getting $800. He is a man 36 or 37 years of age. He feels that he wants to take the open competitive examination but he is not allowed to do so because he is over the age.

The CHAIRMAN:—You also mean to say that is the position of all clerks in the third division, whether they came in before or since 1908?

Mr. O'CONNOR:—Yes. Now the regulations of the Commission read something like this: That when a clerk is nominated for promotion from the third to the second division, he may take such and such examination, and then it sets out the examination.

The CHAIRMAN:—You are now dealing with these who were in the Service before 1908, are you?

Mr. O'CONNOR:—Yes.

Mr. DUCHARME:—When a clerk is nominated, who nominates him?

Mr. O'CONNOR:—The head of the department. It says in the regulations "When he is nominated by the head of the department."

Mr. LAKE.—And then you tell us that at the present time they cannot get sufficient candidates to fill all the vacancies by competitive examination.

Mr. O'CONNOR:—That seems to be the experience.

Mr. LAKE.—So really a man could go in without permission now and qualify, and simply pass the qualifying examination.

Mr. O'CONNOR:—That is the effect of it.

Mr. LAKE:—Once he has passed the qualifying examination he is simply to remain in his division until he can get promotion recommended by the deputy minister.

Mr. O'CONNOR:—Yes.

The CHAIRMAN:—These clerks who were in the third division before 1908 can go up for the open competitive examination whenever they like, can they?

Mr. O'CONNOR.—I believe so.

The CHAIRMAN.—What you have just been referring to was merely when they wanted to go for examination, but not an open competitive examination. Now subsection 2 of section 26 reads as follows:

"Any person placed in the third division upon the coming into force of this Act, may, by the Governor in Council, upon the recommendation of the head of the department, based on the report in writing of the deputy head, and accompanied by a certificate of qualification by the Commission, to be given with or without examination, as is determined by the regulations of the Commission, be promoted from the third division to the second division without an open competitive examination."

The distinction there between the clerks who were in the service before 1908, and those who came in afterwards, is that those who were there before, in order to escape an open competitive examination, must get the recommendation of the head of the department?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—But they, equally with the others, may without that permission of the minister, go into an open competitive examination.

Mr. HIGMAN.—Yes.

Mr. O'CONNOR.—The section says, "as is determined by the regulations of the Commission." You see the Commission there have the power to say as to whether it shall be so.

The CHAIRMAN.—We will come to that later. The point I was dealing with was that they do not need to have the permission of the minister to enter an open competitive examination.

Mr. O'CONNOR.—No.

The CHAIRMAN.—What you mean is that clerks in the third division wishing to take an open competitive examination to the second division can only do so on the recommendation of the Commission. That is the point, is it not?

Mr. O'CONNOR.—No, I would not say upon the recommendation of the Commission.

The CHAIRMAN.—But these are the very words at the end of the first sub-section of section 26 "on the recommendation of the Commission."

Mr. O'CONNOR.—I would take that to qualify the regulations.

The CHAIRMAN.—You say the words "on the recommendation of the Commission" qualify the regulations.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—It should be on regulations recommended by the Commission and made by the Governor in Council.

Mr. O'CONNOR.—Well, sir, it seems to me that the matter is pretty well understood by you now. When we have placed these lists before you, you will then see exactly how the clerks in the different departments are affected.

The CHAIRMAN.—I want to ask you to get down to the real equity which exists there. Of course all these clerks entered under what is known as the Civil Service Act, that is the main Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Well now the main Act, called the Civil Service Act, R.S., Chapter 17, provides by section 22:

"Except as herein otherwise provided no promotion from either division of the Civil Service shall take place without special examination under regulations made by the Governor in Council."

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—And of course the Act then provided for examiners?

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—So far as the Act was concerned there was nothing to restrain those examinations from being made as difficult as they are now, or more difficult?

Mr. O'CONNOR.—No.

The CHAIRMAN.—So that under the Act you cannot complain of any lack of equity in these examinations.

Mr. O'CONNOR.—Well, possibly not. But in practice I think we can.

The CHAIRMAN.—That is what I want to discover, why it is. You say that despite the fact there was the power under that Act, that the regulations which were made under it did not require examinations at all as disturbing as at the present moment.

Mr. O'CONNOR.—Yes, that is so.

The CHAIRMAN.—And do you say those regulations did not vary very much during those years?

Mr. O'CONNOR.—No, not to any great extent. I think where examinations were made especially difficult it will be found they were to qualify for a position which

requires that nature of examination. In the ordinary cases the examination was quite a simple one, consisting in no case of more than four or five subjects.

The CHAIRMAN.—I want to make perfectly clear to you, because you have to establish your own case, the objection that I see might arise. It seems to me you have a clear equity recognized by Act of Parliament and there can be no question of your right to demand a proper organization. But with regard to your second claim, that aside from that altogether there was an equity in person in the Service prior to 1908 to get along without examinations as difficult and severe as they are at the present time, it seems to me that clearly is not upheld by the words of the old Civil Service Act, and that it entirely depends on the custom under that Act. I want to see if you can make your position any stronger than you have made it.

Mr. O'CONNOR.—I think so, because we make three recommendations here, that those who had passed both the qualifying and promotion examinations should be promoted without further examination.

The CHAIRMAN.—They satisfied the conditions of the old Act you say?

Mr. O'CONNOR.—Yes, they have a certificate which would satisfy the requirements of the old Act.

The CHAIRMAN.—Well, with regard to that class then the case seems to be quite different.

Mr. HIGMAN.—And their status ought not to be interfered with.

The CHAIRMAN.—I would say that was implied under the old Act even. You say with regard to them that they satisfied the requirements of the old Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now go on to the next class who have passed the qualifying but not the promotion examination.

Mr. O'CONNOR.—These clerks in some cases had not the opportunity to take the promotion examination. What I mean to say is this: take the case of a clerk who was promoted on the 1st April, 1908, any date along about there. He was brought under these new regulations before he had the chance to take the promotion examination which would have been due in May. But the right to take the promotion examination was still there. The practice had been to have an examination only once a year in May, but in special cases special examinations have been set.

The CHAIRMAN.—Well then, you would say that these persons had lost the chance, we will put it that way, to take the yearly examination, which was in fact the rule under the old Act.

Mr. O'CONNOR.—Yes, I suppose you may say they had lost the chance through no fault of their own.

The CHAIRMAN.—No, on the contrary. You say that is a hardship to them that they lost the chance of taking the yearly examination, but that was because in practice the examination was easier and not because the old Act gave it to them in words.

Mr. O'CONNOR.—Yes, I am afraid we would have to admit that much.

The CHAIRMAN.—I want to get a clear admission. In the first case the equity depends upon the Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—In the second case your equity depends upon the practice.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—I want to see if you admit that because we can clear it up. Go on now to the clerks who did not pass any examination.

Mr. O'CONNOR.—In the third case most of the clerks who were brought in under that ruling, would have taken the examination or they would have left the service

because they could not very well stay as temporary clerks. Of course there are a few exceptions with regard to technical men, and so on, but those who were drafted into the third division without any examination would have ventured to take the examination or they never would have entered the service.

The CHAIRMAN.—I want to get definitely what your views are. This is the representation contained in your memorial. "That clerks in the third division who have not passed any examination should be required to pass an examination similar in character to the old qualifying examination," &c.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—Now that is the class that you referred to who were temporary clerks under the old Act.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—But they have no special right to take the qualifying examination.

Mr. O'CONNOR.—No, but they were obliged to take the qualifying examination before they could be admitted into the permanent service and have their rights with regard to superannuation, insurance, holidays and so on.

The CHAIRMAN.—You have got a pretty difficult case to make out an equity there, it seems to me, under the Act. These clerks, I take it, were all temporary clerks under the old Civil Service Act, and they had not taken advantage of the qualifying examination.

Mr. O'CONNOR.—Of course, but the same argument that I used a while ago applies here, that in some cases these clerks in such a short time had not the opportunity to take the examination.

The CHAIRMAN.—In a great many cases though they had been in a long time despite the Act and in breach of the Act.

Mr. O'CONNOR.—Yes, but I think it will be found that was in the higher divisions mostly.

The CHAIRMAN.—Well, without separating the divisions, they were there in violation of the Act.

Mr. O'CONNOR.—Well no, I do not think it was in violation of the Act. It was in spirit possibly.

The CHAIRMAN.—I think it was a clear violation of the Act, brought about by political dodging of one kind and the other.

Mr. BLEAKNEY.—The Order in Council appointing them used to say: "Notwithstanding anything in the Civil Service Act." That was always tied on to it.

The CHAIRMAN.—Quite so, therefore was strictly illegal.

Mr. HIGMAN.—But a man would be appointed permanently if an Order in Council was passed in his case. With respect to a large number of these who were in the service temporarily there never was any Order in Council, and they preferred to remain as they were for the reason that they were getting very much more salary as temporary clerks than if they were appointed permanently.

The CHAIRMAN.—Yes, but the point I was making was in regard to section 94 of the Civil Service Act setting forth that when from a temporary pressure of work, or other cause, where extra assistance was required, temporary appointments could be made, and I am advised that in order to escape the qualifying examination, that Act was constantly violated. And so there was created a great mass of civil servants who were in reality permanent employees although they were called temporary.

Mr. HIGMAN.—I have in mind the case of a mechanic, a man of very fine parts and a first-class draughtsman. He has been doing permanent work in the Public Works Department for 35 years, I imagine. He came in permanently of course with

the Act of 1908, but prior to that he was on the temporary list, although permanently engaged and doing permanent work.

The CHAIRMAN.—What you would say in his instance was, that even if he was there violating the Act the Government assisted in that violation?

Mr. HIGMAN.—Certainly.

The CHAIRMAN.—And recognizing that, the Act of 1908, made provision for him being put on the permanent list.

Mr. LAKE.—In what particular division of the service was this man placed?

Mr. HIGMAN.—He went into the second division, grade B, I think.

Mr. BLEAKNEY.—They had to be classed according to their salaries.

The CHAIRMAN.—Now you go on further and say that such persons who have not passed an examination, upon passing an examination similar to the old qualifying examination, and an examination in the duties of office, should then be eligible for promotion. Upon what ground can you support giving those persons a privilege which they would not have had even under the old Act. If they had taken the qualifying examination they would have had to take the promotion examination.

Mr. O'CONNOR.—Separately.

The CHAIRMAN.—And you are asking that they should be excluded from that now.

Mr. O'CONNOR.—For this reason, that this should be considered as a promotion examination. By the Act of 1908 they have been drafted into the third division and they are now permanent without any further examination, thereby doing away with the qualifying examination. Therefore the promotion examination that we would recommend would be one equivalent to the old qualifying examination, with the duties of office added.

The CHAIRMAN.—Yes, but would it be equivalent to the old promotion examination?

Mr. O'CONNOR.—It would be a little more difficult I think.

The CHAIRMAN.—In what way.

Mr. O'CONNOR.—The old promotion examination, in most cases at any rate, simply took up the duties of office rather thoroughly and seemed to take other subjects to show that a man had not lost his ability to spell, and do a little arithmetic and so on. The examination, taking it as a whole, was not as difficult as the qualifying examination.

The CHAIRMAN.—I see. You say that the present qualifying examination and the examination into the duties of office are quite as fair as the old promotion examination would have been.

Mr. O'CONNOR.—Oh, yes, quite.

The CHAIRMAN.—" And that they be eligible for promotion on the recommendation of the head of the department based on the report in writing of the deputy head." You should say then: " Bring those under subsection 2."

Mr. MACMILLAN.—Of Section 36.

The CHAIRMAN.—Section 26 of the Act of 1908.

Mr. BLEAKNEY.—We would not care to bring them under that, because a great many of us are trying to get away from it. It is those words 'with or without examination' that have worked all the havoc with us.

The CHAIRMAN.—You are referring to section 26, subsection 3, the Civil Service Amendment Act?

Mr. MACMILLAN.—" With or without examination " on the fifth line of subsection 2.

Mr. O'CONNOR.—This is where the whole difficulty arises.

The CHAIRMAN.—You have not explained that. This is the first time we have heard about the giving of a certificate "with or without examination." You say with regard to all persons who now come under that section, that the word "with" should be struck out from the subsection.

Mr. O'CONNOR.—No, we hardly ask for that, but we ask that the examination for certain of the clerks, that is those under the third heading here, be made simpler, and for those under the second heading that it be made only on duties of office, and that in the case of those who have passed both examinations it be done away with.

The CHAIRMAN.—You say that persons in the third division who were in the service before the Act of 1908, came into force are, by section 26, subsection 2 of the Act of 1908, capable of promotion without an open competitive examination upon certain conditions which are prescribed in that subsection.

Mr. O'CONNOR.—That hardly states the case.

The CHAIRMAN.—I am speaking now not with regard to those in subsection 3, but with regard to all. I am trying to lay the basis for another question.

Mr. O'CONNOR.—Yes, but the trouble is that the regulation we object to was made under this subsection. That regulation now has all the force of law and the Commissioners have overlooked the word "without." They are I think prescribing an examination in every case.

The CHAIRMAN.—Clerks in the third division who were in the service before the Act of 1908 came into force are under section 26, subsection 2 of that Act to be promoted without an open competitive examination upon two conditions: First, that they shall have the recommendation of the head of the department; second, that they shall have a certificate of qualification by the Commission, which qualification is to be given with or without examination. That is the case.

Mr. O'CONNOR.—That is the case, yes.

The CHAIRMAN.—Now you say with regard to the persons who are at the present moment qualified to take advantage of that subsection, that the Civil Service Commission have disregarded the word "without" and have by the regulations enforced an examination.

Mr. O'CONNOR.—Yes.

The CHAIRMAN.—That is your position, is it not?

Mr. O'CONNOR.—Exactly so.

The CHAIRMAN.—And that practically the word "without" is disregarded altogether.

Mr. O'CONNOR.—That is quite the case.

The CHAIRMAN.—Now, with regard to those persons we are dealing with, mentioned in recommendation 3 on page 3, of your memorial to the Premier. If the word "with" was stricken out of section 26. subsection 2, would you then bring these persons into the same category as the others?

Mr. O'CONNOR.—It would rest then with the head of the department. In individual cases he could judge as to whether the clerk was fit to go to a higher position or not.

The CHAIRMAN.—Yes, because section 26 subsection 2, provides for the recommendation of the head of the department.

Mr. LAKE.—Accompanied by a certificate of qualification from the Commission.

Mr. HIGMAN.—I am reminded that it is not so much a question of striking out the word "with," as of dealing with the word "without." At present the word "without" is disregarded altogether, and the word "with" alone is dealt with.

The CHAIRMAN.—Then you mean to say that the Civil Service Commission exercises no discretion in the matter.

Mr. HIGMAN.—That is the position the Commission takes.

The CHAIRMAN.—And you counted that the spirit of the Act was such that they ought to have regard to individual cases and not impose an examination.

Mr. HIGMAN.—I think so. I think the Act clearly provides for that, if not in exactly the words, at least it is implied.

The CHAIRMAN.—The difficulty there would be that if you simply recommended that they should have regard to the word "without," it leaves it entirely in the hands of the same Commission to do as they like, and they would still impose that examination because they would say they were not justified in being without one. That seems to the matter of the viewpoint of the members of the Commission, doesn't it?

Mr. HIGMAN.—Yes.

Mr. LAKE.—It makes it simpler for them I suppose.

Mr. O'CONNOR.—They have only one rule for everybody.

The CHAIRMAN.—One of the difficulties you have of course is this: You found that hardships arose and great difficulties occurred from the time of the imposition of a legislative line where really individual knowledge and experience is required.

Mr. HIGMAN.—Precisely, that is just the contention that we make in regard to those who were in the Service prior to 1908, and it is with that clause we are dealing now. We claim that the Commission should not arbitrarily draw a line as they have done with their examination. There are conditions surrounding those who were in the Service prior to 1908 which they are entitled to have observed by the Commission. But the Commission ignore those conditions entirely and subject the clerks to an open competitive examination. That is the practice, or rather that is what it has resulted in.

The CHAIRMAN.—I presume the organization which was provided for by section 8, if now carried out, would remedy a great many of these grievances?

Mr. HIGMAN.—A great many of them I have no doubt. It would presumably deal with most of them.

The CHAIRMAN.—Because then every man who is at present in the Service could be dealt with on his merits.

Mr. HIGMAN.—Exactly.

The CHAIRMAN.—And then the whole difficulty about exaimnations would vanish into thin air it seems to me.

Mr. O'CONNOR.—It would affect a very few, at any rate.

Mr. BLEAKNEY.—It would for the time being, while that reorganization is effective, but in the course of four or five years a man who is doing third division work and was qualified for the second division and had his qualification papers under the old Act, would be up against what we are now unless there are promotions.

Mr. HIGMAN.—I would suggest that Mr. Bleakney be heard.

Mr. BLEAKNEY.—There is very little, I think, to add because Mr. O'Connor has gone over the subject so well, except as to the point whether a reorganization would satisfy all those who have a grievance at present. There are men in the Service who are doing third division work but who, in the course of a few years, would be qualified for second division work and would be compelled to go and take this examination although they were qualified under the old Act, and they would be in the same position that we are in to-day.

The CHAIRMAN.—You have of course the interest of the Service at heart, being a member of it. Do you see any real, practical reason, from your experience in the department, why with regard to people in the third division, who were there prior to the coming into force of the Act of 1908, there is not sufficient safeguard for the

public service in the provision that the recommendation of the head of the department, based on the report in writing of the deputy head, is required. In other words, do you not think that the provision in subsection 2 of section 26, that a certificate of qualification should be given by the Commission, might very well be done away with as regards that limited class of people, without doing any injury to the public service?

Mr. BLEAKNEY.—I think so, sir.

The CHAIRMAN.—Take for instance to-day. The qualifications of these people must be thoroughly well known to the head of the immediate branch in which they serve, and to the deputy head of the department, and if everything was stricken out of that section concerning the certificate of qualification by the Commission, and the matter was left to the deputy head, would not that protect the public service sufficiently?

Mr. BLEAKNEY.—I think, sir, that the deputy head and the chief clerk under whom this man has worked are the most competent men to judge whether that man is fit for promotion or not.

Mr. DUCHARME.—Would there be danger of favouritism if that power were placed in the hands of the deputy minister?

Mr. BLEAKNEY.—Possibly there might be, but I do not think to any very large extent.

The CHAIRMAN.—But under the Act you are under the official deputy head at present. What I am asking you is whether, if we strike out the reference to the Commission, you, speaking frankly as a man who has observed the public service and wants to uphold it, do not think that would be sufficient protection.

Mr. BLEAKNEY.—I do, sir.

The CHAIRMAN.—That is your candid opinion?

Mr. BLEAKNEY.—It is my opinion that it would be sufficient protection for the Service. If we cannot put confidence in the deputy minister the Service is in a bad way.

The CHAIRMAN.—I do not like the second part of your answer. I want to know whether, as a result of your observation of the whole of the department and your knowledge of the men who entered the Service prior to 1908, the public service would not be sufficiently protected by leaving their promotion to depend upon the report of the deputy minister and the head of the department as at present, and striking out the need of a certificate of qualification from the Commission.

Mr. BLEAKNEY.—I have answered that question twice in the affirmative and I will answer it again in the affirmative. I do not consider that the academic examination these men who are already in the Service are put to benefits them one bit in their work.

The CHAIRMAN.—The reason I asked that question was this: You are saying that the Commission do not pay any attention to the word "without". If they did pay any attention to it the result would be that the promotion would go upon the recommendation of the deputy head. Secondly I ask whether you think the public service is sufficiently protected by striking out that provision concerning the Commission altogether, or do you think there is any need of still allowing the Commission a word to say in the matter.

Mr. BLEAKNEY.—I do not know from the way I see it now whether I am competent to answer that.

The CHAIRMAN.—You are speaking as a practical man in the Service.

Mr. BLEAKNEY.—I answer that I do not believe the Commission would do any good to the Service by imposing an examination.

The CHAIRMAN.—If they do not impose an examination what safeguard is there?

Mr. HIGMAN.—There is this to be said, going back to the question raised by Mr. Ducharme, that the deputy minister might not give the necessary qualifications, and it does seem to me, notwithstanding what has been said, that there is a safeguard to the individual in the Commission being there. At present I know the Commission is guided very largely by the report of the deputy minister, and the evidence of qualification which he must supply—not the mere say-so of his report, but he must submit such evidence as will satisfy the Commission that the individual recommended has the necessary qualifications. And there, I think, is the safety for the individual.

Mr. BLEAKNEY.—Mr. Higman is replying more on behalf of other men than those in the third division. In regard to third division men I do not believe there is inquiry at all as to whether they are qualified or not. If they pass the examination they are all right. If they do not pass the examination they cannot be promoted.

Mr. DUCHARME.—What about those who have not passed the examination?

Mr. BLEAKNEY.—They cannot be promoted until they pass the examination.

Mr. LAKE.—Then according to your idea the Commission are apparently not only saved the responsibility but are saved the trouble of inquiring into these cases by insisting upon an examination in all of them.

Mr. BLEAKNEY.—Quite so. They were given leave by section 26 to inquire where a certain man is recommended for promotion, and if they find out this man has been using influence to get his promotion they may set an examination and find out whether that man is fit for promotion or not.

Mr. DUCHARME.—If you strike out the requirement in regard to the Commission you leave it in the hands of the deputy minister. The clerk then cannot be promoted without his recommendation.

Mr. BLEAKNEY.—He could if the Act was amended, but not the way it is at present.

Mr. DUCHARME.—As the Act is now the clerk can attend his examination and put himself through.

The CHAIRMAN.—What they are asking is that those people who were in the Service before 1908 should be promoted without examination.

Mr. DUCHARME.—Not exactly that. What they are asking is that those men who have been in the Service should be promoted from one class to another without going into an examination, excepting an examination which relates to his present occupation. You do not want to eliminate the words referring to the Commission and bring a third class man into the second division without any examination whatever. You want that man to pass an examination, but one having reference to the position which he holds.

Mr. BLEAKNEY.—I do not want that man to have to pass an examination in latin, greek, astronomy, and things of that kind.

Mr. DUCHARME.—That is what I say. You wish to limit the examination of the man who was in the Service before 1908 but you do not wish to do away with it. You want to limit the examination to the kind of work he is doing, and not question him upon the history of England, or similar matters.

Mr. BLEAKNEY.—The chairman asked me would I not do away with the examination altogether. I certainly would not object. I certainly see no harm that would come from doing away with it.

The CHAIRMAN.—Something was said a moment ago about the protection of the individual. Now the individual would not be a bit protected by that. The provision of subsection 2, section 26, is entirely in protection of the public service against the individual because it stipulates first that there shall be a recommendation by the head

of the department, and after that has taken place it imposes the restriction that a certificate of qualification must also be obtained from the Commissioners. I asked, partly for the purpose of bringing out information, whether any harm would be done to the public service if that requisition for a certificate of qualification was struck out. I understand the answer to be given now that the public service might be protected by allowing the qualifications of the individual to be inquired into by the Commission with regard to his capability in the Service, but without an academic examination on educational matters.

Mr. HIGMAN.—Precisely.

The CHAIRMAN.—That is what you mean?

Mr. BLEAKNEY.—That is what I mean.

The CHAIRMAN.—Because this subsection 2 renders necessary, first a certificate of qualification, and secondly, an examination, and you say: "Retain the certificate of qualification but do away with the technical examination." Is that what you say?

Mr. BLEAKNEY.—Yes, sir.

The CHAIRMAN.—Then the examination would only go to the question of his capacity to do his work in his office, or the work to which he was to be promoted.

Mr. BLEAKNEY.—Yes, sir.

Mr. LAKE.—I suppose you gentlement have been making a careful study of the conditions which have prevailed, and the organizations which have take nplace, in the public service of other countries where they have been confronted with the same proposition that we are meeting here to-day. In England, I think, a great many years ago they introduced the new principle of a division between the higher and the lower services, or the upper and the lower divisions. Do you know whether they were able to adhere to that, under a dividing line which can only be passed by an open competitive examination, or whether they have modified the system to any extent?

Mr. BLEAKNEY.— I understand they have a dividing line, but I also understand that none of the amendments or reforms that have been brought about have been retroactive. That is, they have not robbed any man of his privileges.

Mr. LAKE.—They were up against the position at first that they had a whole lot of men who had come into the Service by nomination without passing the qualifying examination. Do you know from history or study what they did with these men, whether they did promote them as you are here suggesting?

Mr. BLEAKNEY.—I cannot speak with authority on that point, although I have my own impression.

Mr. HIGMAN.—Perhaps Mr. Coates could answer the question.

Mr. COATES.—I was just going to say, gentlemen, that I think Mr. Lake has put his finger on what is really the fundamental question in this whole difficulty that we have been talking about this afternoon, and that is the introduction here in Canada of this dual entrance system. Our Act of 1908 brought that idea holus bolus from the British Act. For the British Act was framed undoubtedly with British social, economic, and other conditions in view.

The CHAIRMAN.—By the dual system you mean what?

Mr. COATES.—Executive and routine. That is what the Act of 1908, par excellence did for our Service. It introduced two entrance systems, and a great deal of the confusion of thought that prevails in regard to the promotion question, arose out of failure to remember that it has arisen only through its being a dual entrance system. Our great objection has been, when you come to reduce it to a matter of logical statement—our great objection to the effect of the Act of 1908 on the men in the lower division is that it has practically made them subject to re-entrance although they were previously in the Service.

The CHAIRMAN.—In other words that promotion is equivalent to an entrance to the second division?

Mr. COATES.—Quite so. Now I have no official views on this subject, but it does seem to be an important question that should have been given a great deal more consideration than it was given by the framers of the Act of 1908, namely, whether it were safe to transplant in a thoroughly democratic country such as ours a system which is undemocratic, to say the least, a system like that of England. In England, as Mr. Lake knows, the upper division is recruited entirely from the Universities, and virtually only Oxford and Cambridge men are qualified for entrance. Within a year or so afterwards they go into this higher division and so the cleavage in England is maintained. There is virtually no promotion, I believe, from the lower to the higher division because of the severity of the educational test. Now I do not believe, speaking personally and not at all for the Executive in this matter, that this system of dual examinations is going to work out in this country, but that it will perpetuate the difficulty that we are representing a phase of to-day. I believe that in two or three years from now you will find men who have entered the Service since 1908 feeling exactly in the same way as we do.

The CHAIRMAN.—Having forgotten a great deal that they knew when they came in.

Mr. COATES.—Quite so.

The CHAIRMAN.—Finding themselves unable to pass a promotion examination, which they fondly thought would be an easy thing for them when they came in, they will turn round and say they are deprived of their fair promotion.

Mr. LAKE.—I thought it was a mistake at the time that you did not attempt to take up this question.

Mr. COATES.—I do not state these things positively but I think it is a subject of importance that might very well be looked into.

Mr. DUCHARME.—The remedy would be to have a good examination at first.

The CHAIRMAN.—We will go back to the matter of classification and organization later on.

Mr. HIGMAN.—I was going to suggest that we should take 4, 5 and 6 in connection with these people.

The CHAIRMAN.—What do you mean by four?

Mr. HIGMAN.—"The third division" is 1 in our memorial, and then there is 4, 5 and 6.

The CHAIRMAN.—Superannuation is 2, is it?

Mr. HIGMAN.—Yes.

The CHAIRMAN.—Insurance is 3, classification and organization 4, age limit 5, and the quarterly report system 6.

Mr. HIGMAN.—These subject are all connected.

Mr. COATES.—May I just add one thing that occurs to me as of some inmportance in connection with this other system. If we are going to perpetuate these two divisions in the Service, I think that the $1,200 maximum for the class of routine officers is too low altogether, and that there will be a constant pressure brought to promote routine clerks, who are extremely valuable as routine clerks, into a division where properly, under the terms of the definition of the Act, they cannot be promoted, and I believe you will find that a recurrent difficulty.

Mr. LAKE.—Your study of the question has not taken you back to the rather distant date when the British Civil Service reformers were confronted with the same question, of having a large body of civil servants who were already in the Service and had certain vested rights, as you suggested in the case of the old civil servants

here, and who naturally said: You are preventing as from fulfilling the destiny which we had a right to expect when we entered the Service.

Mr. COATES.—I do not believe it occurred exactly in that form if my recollection is right.

The CHAIRMAN.—Well, we will proceed if you have nothing more to say on that point.

Mr. BLEAKNEY.—The point I wanted to bring out was in regard to the clerks who, before 1908, had passed the qualifying and the promotion examination and had a right to promotion without further examination. These clerks had laid their books aside and said, "I am through with studying from now on, I will get down to work." and in the course of a few years time there is a change in the Act. Commissioners are brought in, and these fellows are forced to bring out their books again and get some more qualifications before they can be promoted.

The CHAIRMAN.—These are the men dealt with by recommendation 1?

Mr. BLEAKNEY.—I have here a certificate from the Board of Civil Service Examiners, which reads as follows:

"OTTAWA, 5th June, 1907.

Dear Sir:—

In reply to your letter of the 30th ultimo, I beg to inform you that the books of this office show that the marks obtained by you at the recent promotion examination are sufficient to qualify you for promotion to the rank of a chief clerk without further examination.

Yours truly,

(Sgd.) W. H. FORAN.'

That paper now is of absolutely no value.

The CHAIRMAN.—Was that man in the third class?

Mr. BLEAKNEY.—Yes, that was a third-class man. He is forced to go and take his new examination before he can be promoted, in spite of this letter.

The CHAIRMAN.—Unless the organization takes place which was provided for by section 8 of the Civil Service Amendment Act, of 1908.

Mr. BLEAKNEY.—In his individual case the organization might grade him, but it does not follow that it will grade all who hold these certificates. He would be only doing third division work but he has still that right to promotion without examination when he is qualified for it. The certificate I have read says "without further examination," but the man is not entitled to promotion until he is recommended for it, and has qualified in his office.

The CHAIRMAN.—Do you mind telling me to whom that letter was addressed?

Mr. BLEAKNEY.—It was addressed to myself.

Mr. DUCHARME.—I suppose your points 1, 2, and 3 all apply to cases before 1908?

Mr. BLEAKNEY.—Yes. We are all agreed upon the point that the man who has passed both these examinations had practically vested rights. We went further and we said that the man who had come into the Service and had passed the qualifying examination and had a right to take the promotion examination when he was recommended—that we considered that he was being deprived of his rights by having that opportunity taken away from him.

The CHAIRMAN.—The opportunity to take an easy promotion examination instead of a difficult one.

Mr. BLEAKNEY.—Yes. These third-class clerks came into the Service with the understanding that if they took a qualifying examination they would be appointed

permanently. They spent some years of their lives in the Service, and have not taken that examination for various reasons. Had they taken that examination they would, on passing the promotion examination, have been qualified for promotion. They came into the Service with that prospect in front of them. After some years of service all these privileges are taken away from them. They are made permanent, but their privilege of taking the promotion examination is swept away.

The CHAIRMAN.—No. Not the privilege of taking an examination. That is confusing the question.

Mr. BLEAKNEY.—An examination on the understanding there was at that time.

The CHAIRMAN.—But the right to any other examination, except an open competitive one, is taken away, is it not?

Mr. BLEAKNEY.—No, they have the right to one.

The CHAIRMAN.—Although they were temporary clerks? Being made permanent by the Act of 1908 they were placed in the third division.

Mr. DUCHARME.—You want all employees that entered the Service previous to 1908 to be subject to the examination as it then existed.

Mr. BLEAKNEY.—That they be practically given the same privileges that they had previous to 1908.

The CHAIRMAN.—Unless you have something to add to what you have already said we do not need to hear that subject very much further, because we all see the equities of the position—we saw them from the Memorial to a large extent—and I think we all sympathize with them very much. We might save time now by going on further. Is the next speaker going to deal with the subject of classification and organization?

Mr. HIGMAN.—I will now call upon Mr. Pare.

CLASSIFICATION AND ORGANIZATION.

Mr. PARE.—I must apologize for repeating perhaps, something which has been already said on the third division question. It only relates to one of the difficulties due to the lack of organization provided for by section 8. I need not say very much because I have seen that you fully realize the vital importance of section 8, and you no doubt sympathize with the Service, and regret very much with them that that section has not been carried out. And in this connection you will perhaps find that other very important clauses have remained inoperative. The Amendment Act of 1908 meant to reform entirely the Service to place it on a new basis, or to improve the basis, and there were different operations to go through. First, there was to be the transfer from the old condition of things to the new order. That was provided for by section 6. Automatically the old Service under that section was transferred to the new order of things. There was no choice in the matter; the man who happened to be in a certain division, or who happened to have a certain salary, was transferred to the new division corresponding to that salary. It was then merely a transfer of the very distressing conditions of the old Act, which were generally admitted. The new Act was passed because of the demoralizing conditions which prevailed in the Service, and with the automatic transfer there was to be a new foundation. If I may express myself this way, there was to be a classification, not of the persons but of the offices.

The CHAIRMAN.—Of the work.

Mr. PARE.—The offices, that is the duties and responsibilities.

The CHAIRMAN.—Yes, the work.

Mr. PARE.—Nothing of the sort has been done, so the same old inequalities, the same differences in the treatment of employees, that existed under the old Act still exist. The same inequality between the salaries paid and the duty performed still exist. The evils complained of by the third division form a separate case. They would have been remedied by proper reorganization although not fully. But the evil exists in the higher subdivisions. Men have been classified, say in the first division who should have been placed, on account of the duties performed, in the second. Of course the Act provided for their salary not being reduced, nevertheless they might have been classified, if the Act had been fully carried out, in a lower division, without any further increase of salary until they qualified for promotion. I hope I have made this point clear.

The CHAIRMAN.—You have it pretty clear. Go on without any excuse, we understand you.

Mr. PARE.—I do not think that I have much more to add.

The CHAIRMAN.—What you say, therefore, on that point is this, that a man may have been placed in a higher class than the quality of the work which he was called upon to perform justified him being put in.

Mr. PARE.—Quite so.

The CHAIRMAN.—The Act provided that his salary should not be reduced, but there was no reason why he should not have been put in a lower class, his salary to remain as it was without increase until he had qualified himself to go into the higher class.

Mr. PARE.—Exactly. It could have worked both ways, but as a rule you will find that it has worked the opposite way. That men have been left in lower subdivisions who should on reorganization have been placed in higher ones.

The CHAIRMAN.—What have you got to say upon this point, putting aside the interest of the individual and his needs altogether, and looking at it purely from the service standpoint, there is a great deal of work in all the departments of the same character, requiring just certain qualifications, which may be done by men either of junior age and experience or less capability, at a moderate salary, and which in a commercial concern would be done by persons at that lower salary. How are you going to provide in the Government service that such work shall continue to be done by such persons at such salary, not exceeding what is a fair and average price for that kind of work, and at the same time provide for the fair promotion and increase of pay of the individual?

Mr. PARE.—I think you are touching the very essence of the whole Act, and Mr. Coates having said something about the dual entrance I think it comes into the question also. The duties may be entirely different after some years, from what they were at the very start. As a man works along he becomes more efficient and after some time he has to guide the new man, to fulfil to some extent executive and administrative duties. That is why although the work itself is of the same nature as at the start when he was a junior, he may on account of this expansion after some years qualify himself for a higher position and a higher salary.

Mr. DUCHARME.—How is that to be regulated?

Mr. BRITTAIN.—I think in the matter of promotion the work and ability of the individual has to be considered. One individual may have an office and perform his duties perfunctorily, that is he does not perform his duties in the public service really to the best advantage. Another individual may have that office who may be a man of great ability. The particular controlling officer, the deputy head or chief executive officer, would assign that man to that work and be willing to pay him a greater salary than he would to another individual. You cannot label a position worth so much without also taking into consideration the ability of the official

The CHAIRMAN.—If you will excuse me I will answer what you have said there. That I think is only true within very moderate limits. I will admit that one man may do work well, and another man may do the same work very badly; but you know the law supposes that the employer is entitled, when he pays a salary, to the best work that any individual can do with that particular class of work.

Mr. BRITTAIN.—Certainly.

The CHAIRMAN.—And it is only upon that basis that you can argue it. If I pay a ten dollar man to do my work, and I know he is a ten dollar man, I am going to pay him a small amount, perhaps because I cannot afford to pay him any more, but we will take a case of this kind just as an illustration. I want a boy in my office to do filing. Now filing is a class of work which is worth commercially, when well done, a certain price. In a commercial office if I want to give an increased salary to a young fellow who has done well in filing, I will promote him to a different class of duty, and I will hire somebody else to do his filing and give the latter the same pay, or perhaps even lower, than the man who preceded him. I will not go over the amount because his predecessor has got the experience. It appears to me that under the present system there are scattered through the offices a number of persons who are doing precisely the same work that they did years ago when they were less competent, work of such a nature that it does not require any more competence than they had some years ago, which is beneath their competence at the present time, but for which they are paid a salary far beyond the value of the work.

Mr. BRITTAIN.—That is quite true as far as routine work is concerned. I am speaking now of a division where a man has to use his intelligence and it may be the different gifts that he has.

The CHAIRMAN.—I know. It may be inseparable from a Government system, but I was trying to see if you could give me any light as to a method upon which the organization of the Service could be made with regard to the class of work rather than with regard to the time a man was in the Service, or the age, or anything else, so that a man could get promotion on merit.

Mr. BRITTAIN.—I certainly think so. But with regard to routine work there is a certain class such as filing, entering up accounts, letter copying, &c., which is common in all the departments, which is merely routine, and which can be assigned a certain value at which junior clerks could be brought in to do the work. But the higher grades of work have to be entrusted to individuals possessing undoubtedly great ability.

The CHAIRMAN.—Precisely. Now I am asking you to suggest a classification or organization, or to throw out a hint with regard to the work which could go just upon that phase, recognizing that there is in every department a considerable quantity of routine work which does not require any higher capacity than a certain fixed amount and which is not worth paying more than a certain fixed salary for.

Mr. BRITTAIN.—I certainly think that such work as indexing, filing, entering up accounts and keeping certain books of account.—

The CHAIRMAN.—You think there is a good deal of work that could be classified?

Mr. BRITTAIN.—There is a great deal of work that should be classified.

The CHAIRMAN.—Well now, assuming there was a classification of the work, how would you meet this difficulty that I see confronts the individual? Men go into the Service to do that classified work. It ought not to be paid for at more than a certain fixed price, because it is not worth more in the market. You could let that man retire from the Service at a comparatively young age, and you could go out and get a young man to come in at a smaller salary who would do the work just as well. Now, how would you provide for the proper promotion and increased payment of the individual on a higher scale?

Mr. BRITTAIN.—I would note his ability to do the work at which he was put, if I had charge of that particular clerk, and if he showed that he was an adept at his work, that he was qualified for something better, I would immediately give him a better class of work. It does not necessarily follow that in all the offices all the work must be of a similar nature.

The CHAIRMAN.—I know, but you do not apprehend my difficulty. I know there is a certain better class of work, and in every office there is need of a certain number of persons to do that class of work, and of course promotion should come to them, but when the offices are filled, you have these automatic provisions that are in the law at the present moment, for the annual increase of salary and for promotion from the third to the second division. Whether there is any work for the men to do or not, they get the the annual increase, do they not?

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And whether there is any work to do or not they get promoted from the third division into the second if they pass a certain examination.

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And the result is that by annual increase and by promotion, a considerable number of pretty high priced men are doing work that could be done by cheaper men.

Mr. BRITTAIN.—Quite true.

The CHAIRMAN.—The public service is therefore made expensive, and because of that a lot of men who ought to be getting high salaries are probably receiving poor salaries to-day.

Mr. BRITTAIN.—That may be true too.

The CHAIRMAN.—I was trying to see if there was any way of meeting that difficulty.

Mr. BRITTAIN.—I might make this suggestion in regard to the practice in our department, and it may be in other departments: If one branch of the department is particularly pressed for assistance and the work in another branch is slack at the same time, an employee is taken from the latter and placed in the former branch. In that way he is taught the work of other branches than his own and he qualifies himself to take higher work whenever there is an opening for him.

The CHAIRMAN.—Is there much or any interchange between the several branches of a department?

Mr. BRITTAIN.—In the Finance Department there is the currency branch, the accountants' branch, the savings banks and contingencies branch, and several classes of work. Whenever there is great pressure on any of these branches, clerks from the other branches are brought in.

The CHAIRMAN.—What you mean is that in a department there may be considerable interchange between the branches of that department.

Mr. BRITTAIN.—Yes.

The CHAIRMAN.—What I asked was whether you knew of any interchange taking place between different departments, say between the Public Works Department and the Department of the Interior and the Finance Department.

Mr. BRITTAIN.—Very little.

The CHAIRMAN.—Might there not be some time when one department would be considerably pressed, and another department have an excess of hands?

Mr. BRITTAIN.—Yes, I think that might happen.

The CHAIRMAN.—And it would be possible that a clearing house for these men might help them to be employed economically by changing them round sometimes.

Mr. BRITTAIN.—I think that is a practical suggestion which could be carried into effect. For instance in the Government Savings Bank branch, at the end of the year there is great pressure in balancing the accounts, and in former years some of the other employees were called in to assist and were paid extra.

The CHAIRMAN.—Might I ask you this question: whether you think that a great deal of good might not result to the public service if the Civil Service Commission, instead of standing at a distance, as it were, became intimately connected with the various departments.

SEVERAL MEMBERS OF DEPUTATION.—Hear, hear.

The CHAIRMAN.—Acting as a sort of Board of Control.

Mr. BRITTAIN.—Yes, I think they might have some such control, but it would all depend on the way in which they were connected with the several departments.

The CHAIRMAN.—I will put the matter again in this way; suppose it were a commission of persons who would put themselves in touch with what might be called the daily needs of the departments, having a confidential knowledge of what was going on, able to shift from one department to the other, or from one branch to the other if the need be. At present they are looked upon as a mere board of examination, but would not great advantage accrue to the Service by their getting into personal touch with the department?

Mr. BRITTAIN.—I think the Commission could be of practical use to the Service in that way.

The CHAIRMAN.—Do you not think such a commission could be of great practical use to the whole of the departments.

Mr. BRITTAIN.—I am quite sure it could.

The CHAIRMAN.—Knowing the individuals and knowing the work they perform.

Mr. BRITTAIN.—Knowing everything, in fact, that was going on?

The CHAIRMAN.—Yes, that would be a valuable work in itself, would it not, for the Service right here in Ottawa if you had some such body as that?

Mr. BRITTAIN.—I think so.

AGE LIMIT.

The CHAIRMAN.—That brings me to another subject. What about the age limit?

Mr. HIGMAN.—Before you leave the question of the interchange in the different departments, I see some difficulty there, sir.

The CHAIRMAN.—So do I.

Mr. HIGMAN.—You have shades of differences in all the departments; they all have more or less technical work. Take the Customs Department and there is a certain line of thought and qualification required there. Go into the Inland Revenue Department and it is a change from the Customs. Go into the Post Office Department and another qualification is needed there. The same in the case of the Interior with its Forestry, Immigration and various other branches, involving all sorts of knowledge and information. You are training men in these departments for specific duties, and if you attempt to disturb them, to interchange between one department and another, I am afraid that you would introduce confusion rather than benefit to the Service. I just give that thought.

The CHAIRMAN.—I did not make the suggestion with any idea that it could be done without very close and intimate touch, nor do I think it could be done with what may be called the technical or higher class work; but it appears to me that there may be a great deal of assistance of one kind and the other that could be arranged by very close personal touch between the departments. I was going to ask you what

you have got to say with regard to the age limit, I mean when people should go out of the Service.

Mr. BRITTAIN.—I think at 65 or 70 years of age. In the English service a civil servant can be kept until he is seventy. He can demand superannuation at sixty or sixty-five—the latter age I think it is—but if the Government wish him to remain they can retain him until he is seventy.

Mr. COATES.—One year.

Mr. BRITTAIN.—One year.

The CHAIRMAN.—Are there many men over sixty-five in the public service to-day, that is in the Inside Service?

Mr. BRITTAIN.—Quite a number. To-day I entered up two for superannuation; one was sixty-five and the other somewhere around seventy. We are constantly superannuating officials who are seventy and a little over that age.

The CHAIRMAN.—Under the Act as it is at present those who were in the Service before 1898 are entitled to superannuation after thirty-five years of service.

Mr. BRITTAIN.—They are entitled to superannuation any time after ten years service, and to a maximum of seven-tenths of their salary after thirty-five years service, and they cease paying to the superannuation fund after the expiration of the thirty-five years.

Mr. BRITTAIN.—They are not bound to go—they cannot demand their superannuation.

Mr. BRITTAIN.—They are not bound to go?

The CHAIRMAN.—They can, of course, be put out at any time.

Mr. BRITTAIN.—At any time.

The CHAIRMAN.—But then with regard to a man who is entitled to superannuation, there being no age limit, there is a certain amount of hardship in putting him out if he does not wish to go.

Mr. BRITTAIN.—He naturally wishes to remain for thirty-five years and so receive seven tenths of his salary.

The CHAIRMAN.—Does he sometimes wish to remain longer than that? If he is getting a moderate salary he does not want to take seven-tenths of it, does he?

Mr. BRITTAIN.—No, sir.

The CHAIRMAN.—Then if he is fairly efficient and wants to stop in the Service, a minister would have a little bit of unpleasantness in putting him out, would he not?

Mr. BRITTAIN.—The Government are very merciful in some cases.

Mr. BLEAKNEY.—They could not get him out, practically.

The CHAIRMAN.—They could simply say to him : "Now you have got to go." That of course they can do at any time, but in reality as the thing works out, a man's private circumstances are such from the size of his family, or sickness, or reasons of that sort, that to put him upon a pension would be to cut him a little short on the necessaries of life. There being no age limit you find this difficulty in putting him out.

Mr. BRITTAIN.—Yes, the Government usually retain them in the Service.

The CHAIRMAN.—The proof of that is there are a lot of old men in the Service to-day, are there not?

Mr. BRITTAIN.—Quite true.

The CHAIRMAN.—What would you think of a suggestion of this kind, running in my own mind purely: that the age limit should be fixed at sixty-five, with the

proviso that men might be retained after sixty-five and until they are seventy, subject to their passing certain medical examinations and being recommended by the head of the department for retention, but that failing to get these they should automatically go out at sixty-five years of age.

Mr. BRITTAIN.—I think that would be all right, that would be a very good provision.

The CHAIRMAN.—It strikes me that way.

Mr. PARE.—Not without superannuation.

The CHAIRMAN.—I am not talking of superannuation. In the first place let us put to one side the question of superannuation, and have regard merely to the general qualifications you mention for the public service. When a man reaches sixty-five as a rule, unless he is an exception, he is probably losing the keen edge of his desire to work for the public.

Mr. BRITTAIN.—I know it is an actual fact that we are carrying people up to eighty years of age; there is no means of superannuating them.

The CHAIRMAN.—Some men, of course, go many years beyond, but I think sixty-five is a fair age to state that most men are ripe enough to go out at that time. My suggestion would be the Act should provide that at sixty-five men should come up for consideration, and that unless those who do this could get a medical certificate as to their health and the endorsement of their department as to their qualifications, they should automatically drop out. The reason I suggest it in that way is this; it saves all the unpleasantness of the minister having to say to them, "Go out."

Mr. BRITAIN.—That provides for a more or less efficient Service.

The CHAIRMAN.—And for men to go up, and for promotion to take place, and so on. It overcomes the difficulty of the department having to tell the men that he must go, and arranges it that the man must go unless the department says he can stop. If the department thinks he is a valuable man, and he can get the necessary certificates, they can keep him.

Mr. HIGMAN.—And conversely the administration should not be able to put a man out of the Service until he has reached that age limit except for cause. The old superannuation laws, or the laws that have been repealed but which apply to those who were registered under it, have been greatly abused by the ministry. Of course we impute no motives to them, both political parties I assume have been equally guilty, but the old civil service laws have been loaded down with political derelicts, shall I call them, and so it has made the question of superannuation difficult. The large amount of superannuation paid to-day is paid to that class of people, at least large amounts are being paid to-day in that way. This probably will come up more properly under the superannuation clause, but I think any Act that is prepared dealing with superannuation should be very carefully prepared in that respect; the administration of the day should not be able to put a man out until he has reached the age limit of sixty-five, if that be the limit fixed.

The CHAIRMAN.—Leave that until we come to superannuation. The reason I suggested an age limit in connection with this question of classification was that it seemed to some extent to meet the objection you are raising about high priced men doing routine work because there was no room in the higher ranks for them. In fact if you had men going out at an earlier age, and going out automatically, then the superior branches of the Service would offer much more room for promotion, and give a chance for suitable men in the lower ranks to go into offices where their knowledge would be of real use, and a return be made to the country for the money they were costing.

Mr. DUCHARME.—How is the efficiency of a man controlled to-day? Suppose a man is not capable, or from sickness or other reason he does not perform his duty as it should be performed. Who has the control of that, who sees to that?

Mr. HIGMAN.—The deputy minister, I imagine, controls it largely with the minister.

Mr. BRITTAIN.—There is an Order in Council which makes provision for sick leave to a certain extent. If an official is absent through sickness and furnishes a doctor's certificate, he is usually granted two or three months' leave of absence. Last year during the typhoid fever epidemic a large number of cases occurred, and the Government, I think, took the stand that they would only give two months' leave of absence. But of course they got the leave of absence by Order in Council because they may be absent two months or more. Otherwise, as in some cases in our department, they lose their pay.

Mr. DUCHARME.—But supposing it is for want of capacity?

Mr. PARE.—We have a record.

Mr. DUCHARME.—Have you in any department a man in charge who is responsible for the whole of the work.

Mr. BRITTAIN.—The officials report upon those under them and we ask for additional employees as we need them. There have been employees who came to us from the Commission who have been refused by our department. They were taken on for a certain time and then rejected on account of inability to perform their duties in a satisfactory manner, even although they had passed the examinations..

The CHAIRMAN.—Every department is divided into branches of work.

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And every branch has one or more officers doing its work.

Mr. BRITTAIN.—Yes, sir.

The CHAIRMAN.—And there is an officer at the head of every branch with clerks under him?

Mr. BRITTAIN.—The responsibility rests with the head official.

The CHAIRMAN.—Of the branch, you mean?

Mr. BRITTAIN.—The head official.

The CHAIRMAN.—The senior official of the branch.

Mr. BRITTAIN.—Yes, and I think a good deal of trouble that has arisen in the Service has been either through the unwillingness or inability of the chief official to enforce the regulations as they should be enforced. That is if they have been. I do not say they have been.

Mr. DUCHARME.—Do you mean by influence of some kind?

The CHAIRMAN.—He says through unwillingness.

Mr. DUCHARME.—Or inability.

Mr. BRITTAIN.—What I mean by that is, if an official knows that somebody is ill or indisposed, or not doing his work up to the mark, instead of reporting the man or making a statement of the case, he simply lets things drift on. That is what I mean.

The CHAIRMAN.—Mr. Ducharme was asking you as to whether the official might be influenced. It may be friendship for the man, or may be weakness of character, on the part of the chief of the branch.

Mr. BRITTAIN.— Exactly.

The CHAIRMAN.—It may be fear of political influence behind the individual.

Mr. BRITTAIN.—It should not be so.

The CHAIRMAN.—Do not say, "it should not be", it might be.

Mr. BRITTAIN.—We assume that the official in charge of his staff should conscientiously perform his duty—

The CHAIRMAN.—That is a false assumption.

Mr. LAKE.—In your opinion should the conduct of the work of the department be entirely in the hands of the deputy minister, or should the minister also have his say with regard to the matter.

Mr. BRITTAIN.—I think that the deputy head is the same as the head would be. He should know the work thoroughly. The chiefs representing a large department might be in a position to represent certain men more favourably than others, but I think the man who is really responsible for his department is the man who should know his officials, and if he is going to have a thoroughly efficient staff he should exclude all but the best men and give them the best positions.

Mr. LAKE.—That is not quite the answer I want. A minister comes in as the head of a department. In your opinion is it a good system that he should come in and say to the deputy minister: "This official should not be doing this class of work, you should transfer him to another branch"?

Mr. BRITTAIN.—Certainly not. I think if the deputy head is doing his duty, or any official, he should be given a pretty free hand with the staff.

Mr. LAKE.—He should be treated as the absolute head of the business of that department.

Mr. BRITTAIN.—Yes, and he should be held responsible. I have had difficulty myself, both on political and personal representations, in regard to the char service, and I feel it is the duty of an official to give persons a fair trial and take them on their merits. If they approve of their work, and find that the men are satisfactory, let that be so reported.

The CHAIRMAN.—But as a matter of law it has, after all, to be left with the head of the department, the minister.

Mr. BRITTAIN.—Yes, but if the minister is a man who wishes to have a proper executive department. I think he will interfere very little. He will give full heed to the recommendations of the deputy head unless the latter is not properly qualified.

The CHAIRMAN.—That is the very point I was trying to get to. If I were the minister I should undoubtedly say to my deputy: "Now you are the executive head of this department and you will be answerable to me for the good conduct of the staff of the department in the performance of their work". But while I listen to his recommendations, and in case of doubt would carry them out, I would not for a moment waive my right of saying to the deputy: "No, you are not doing your work".

Mr. BRITTAIN.—Certainly not.

The CHAIRMAN.—And therefore such and such a person must be dismissed or must be promoted. Because I would be answerable under the law to the government of which I formed part.

Mr. BRITTAIN.—Certainly. While you might be the political head of the department, the deputy is the executive head under you, and you look to the deputy for the proper performance of his duty.

The CHAIRMAN.—That is a matter which must be left largely to the individual care of the minister. You cannot define it by law because you could not say by definition that the minister should not have anything to do with the people in his department.

Mr. BRITTAIN.—Certainly not. But I think the deputy head, if the minister attempts to put men in positions for which they are incompetent or incapable, notwithstanding that it would be a very delicate position for him to take, should protest and state his views very strongly.

The CHAIRMAN.—No doubt he does if he is a man of the right character.

Mr. LAKE.—The deputy should be responsible, and if the minister comes and interferes with the details of his work without doing it through the deputy, the deputy cannot be responsible.

The CHAIRMAN.—Well, I presume the minister never does interfere with the details of the work in any of the departments except through the deputy.

Mr. HIGMAN.—There are cases when they do that and are jusified in so doing. Of course a minister is primarily responsible to parliament for every act of his department, that is the fundamental law of our system I believe. But you take a large department like the Post Office or the Interior Department, where the branches must necessarily be somewhat scattered, you cannot get them all into one building always. In such cases the deputy is compelled to depend on the heads of branches for the right conduct of those under them. So you see it is a system that is interlocked and dovetailed, if I may so state it, and the responsibility which rests primarily with the minister, comes down to the chief officers in charge of branches.

The CHAIRMAN.—But the very principle that Mr. Lake has raised, that the minister should look to his deputy, is quite carried out by the deputy looking to the heads of his branches, and by the heads of branches looking to the senior officers in the various departments. There is the same principle underlying it all.

Mr. BRITTAIN.—Yes.

The CHAIRMAN.—And as a matter of administration it is undoubtedly the right system, but you could not, it appears to me, lay it down that the superior officer should not have the power to interfere with the inferior officer at any time.

Mr. COATES.—Yet thoughout the Civil Service Act there are a great many qualifications as to the power of the head of the department.

The CHAIRMAN.—In promoting and so on.

Mr. COATES.—In a great many cases you find it stated "That the head, with the recommendation of the deputy" and so on. The authority and power of the deputy head is very great. In the event of a direct dispute, as between the head and the deputy head, it is doubtful if the deputy has not as much power as the head.

The CHAIRMAN.—With this exception, that the head has power to remove the deputy head.

Mr. HIGMAN.—There are instances where the minister is justified, and I do not see how he can get along, without consulting others than the deputy head. There must be branches attached to departments where the deputy minister could not explain all the technicalities connected with the service.

Mr. LAKE.—I was not on that tack at all.

Mr. HIGMAN.—And the minister could of course call in any officer of the department.

Mr. LAKE.—Certainly, but what I meant was this: if things are not going right in any particular branch the minister should say to his deputy: "Things are not going right in that branch and you have got to get them right. I will consult with you as to the best man to get, but matters have got to be righted and I hold you responsible for doing that. I am going to get the service that I want in that particular branch." But he should not himself ignore the deputy and go and set those things right. The deputy is the permanent head of the business of that establishment.

QUARTERLY REPORT SYSTEM.

The CHAIRMAN.—You were going on to deal with the quarterly report system. You say in your memorial that the method of reporting is not now satisfactory. In what respect is it unsatisfactory.

Mr. PARE.—First of all there is no uniformity, not only between the departments but between branches of the same department. One chief, for instance, will mark all

his clerks "excellent." Another chief will say that no official deserves the mark excellent, and so on. That is a very great grievance we have against these quarterly reports. The system is unfair to the members of some branches where in no case can they get recognition in these reports.

The CHAIRMAN.—The report is sent in by the head of the branch concerning everybody under him, is it not?

Mr. PARE.—Yes.

The CHAIRMAN.—Every branch reports to the deputy?

Mr. PARE.—To the deputy.

The CHAIRMAN.—And there is a regular printed form which has to be filled out. Section 40 of the Act of 1908 provides:

> "A record of the conduct and efficiency of all officers, clerks and employees below the first division shall be kept in each department."

Mr. PARE.—That is the section you see, and it requires a record of conduct and efficiency. As a matter of fact the printed report has several headings.

The CHAIRMAN.—We have a number of the forms, one of which has been filled in, so you need not describe it.

Mr. PARE.—The first grievance is lack of uniformity. In the first place it depends upon the fact that there are various officers who make their reports and they all have different ideas as to the form of characterization. There might be some common standard of appraising the conduct and efficiency of the clerks for all the departments, and perhaps also there might be a system of inspection.

The CHAIRMAN.—Now with regard to the definition of what would be excellent, or good, or fair, or anything else. That would have to be laid down with the very greatest of care, and then it would have to depend upon the peculiar mind of the man who is making the recommendation, would it not?

Mr. PARE.—Certainly. Although lack of uniformity is the only grievance that we complain of as an executive, I think the cause of all the trouble, or the greatest evil, is that there is no record kept in most branches of the daily work of each employee. When the time comes to prepare these quarterly reports, for my part I am quite sure that a great many chiefs have not in their possession any information to go upon, and put down their marks merely on impressions.

The CHAIRMAN.—And from memory.

Mr. PARE.—And from memory. That would be very well for a chief of a very small branch, but when a chief has charge of a branch comprising thirty or forty or fifty people, working sometimes in different buildings, but at any rate not all working in the same office, he certainly cannot rely on his memory or even on a casual inspection of the officers outside his immediate supervision.

The CHAIRMAN.—Let me ask you this question: do you think it makes any real difference to the Service after all that the reports come in from time to time with a slight shade of variation from what they ought to be. For instance, that the chief has marked "excellent" when he perhaps ought to have marked "good," or vice versa, that he has marked "good" when he ought to have marked "excellent." Do you not think those reports get pigeon-holed and forgotten

Mr. PARE.—They ought not to be.

The CHAIRMAN.—Are they for record, or for any purpose whatever?

Mr. PARE.—As a matter of fact they are perhaps pigeon-holed and not taken any account of, but that is not the intention of the Act.

The CHAIRMAN.—I can quite see if a man were reported to be "bad" for instance, when it was not justified, that would make a real difference. But I notice that above

the bad line there are three or four qualifications, such as "fair," "good" and "excellent." It would make no real difference that a man is marked "good" when it should be "excellent."

Mr. PARE.—For my part I do not know whether these reports are pigeon-holed and no further use is made of them, but according to the Act they have to be considered when granting promotion, or any increase in salary, and they should be continually referred to. They should be the basis of promotion, in fact I do not think the merit system could stand without some means like the quarterly report to establish the merit of each individual.

The CHAIRMAN.—I see the need of it myself, and when the commissioners were talking about it on one occasion we were told: "We have really no daily report that enters into work a man is doing in this department or describes it in any way."

Mr. PARE.—Such a thing does not exist, and in my opinion that is the greatest evil because it makes those reports entirely unreliable and perfectly useless.

Mr. DUCHARME.—Such reports should be posted in order to show whether the employee is doing his duty or not, and if not, then the deputy minister can read the complaint to the party affected and say he is not doing his duty.

Mr. PARE.—For my part I consider the quarterly report system, properly carried out, to be very necessary for us. You will find, for instance, that an extra $50 annual increase can be given to the employees of the second and third division on the recommendation of the Civil Service Commission. How could the Civil Service Commission give such recommendation?

Mr. DUCHARME.—But that report must only apply to the conduct and efficiency of all employees below the first division.

Mr. PARE.—Of course I give this as an illustration. Subsection 4 of section 37 provides: "The said increase shall only be authorized by the Governor in Council upon the recommendation of the head of the department based on the report in writing of the deputy head, and in case of officers, clerks and other employees of the second and third divisions to whom a further increase is recommended, accompanied by a certificate of merit from the Commission."

Mr. DUCHARME.—Then the record ought to be properly kept.

Mr. PARE.—The Commission could not give any such certificate for the extra $50 to deserving employees without reliable reports regarding their conduct.

The CHAIRMAN.—No.

Mr. PARE.—The Commission do not know those employees personally. They only base their recommendation for an increase on properly prepared reports, and the same with promotions.

The CHAIRMAN.—Just one word with regard to that. Do you not think too that where they report concerning a man they should in the remarks column give the reasons to some extent for their reports. Suppose for instance a man were reported to-day as "bad" and there was no word of explanation whatever concerning it. That stands as a black mark against a man.

Mr. PARE.—I think there should be some explanation and also the man himself should be notified, and the law provides for that. Such report if adverse and unfavourable should be shown to the person concerning whom it is made. I will venture to say that portion of the clause is not carried out. In most departments almost absolute secrecy surrounds the making of these reports. They go unchallenged whether any errors are made or not, and we do not know anything about the matter.

The CHAIRMAN.—Without taking any longer time I think we are all agreed that a report should be made. I think we will go further and say we are agreed it should be made oftener than three months.

Mr. LAKE.—I think there should also be a list of terms to be used, and a definition of what the list means.

The CHAIRMAN.—Personally I think such report ought always to be made in solemn form and not on the mere will of the man who makes it. Furthermore, the individual concerned should always be shown a report that is unfavourable to him.

Mr. PARE.—That would come, I suppose, also entail on the chiefs the obligation of keeping some data upon which to base those reports.

The CHAIRMAN.—Personally speaking, I have this idea, inasmuch as every report about a man's conduct, except the word "excellent" is either positively or negatively to his disadvantage it would be better that he should be allowed to see the report that goes in once a week, for 24 hours before it was submitted. I should also think that a man complained of ought to have the right to appeal to his superior officers against that report at once.

Mr. HIGMAN.—He has the right to see that report.

The CHAIRMAN.—Only if it is unfavourable, and I am raising the point that anything less than "excellent" is negatively to his disadvantage.

Mr. HIGMAN.—Take the case of a man who is particularly careful to be punctual. The heading "punctual" is in the form, and if that man is always punctual you should put the word "excellent" there.

The CHAIRMAN.—Yes.

Mr. HIGMAN.—Another man has aptitude and ability to do certain things. It is "good" there. Then another man is active in the discharge of his duty and possibly as the chief I could only use the term "fair." Certainly a man has a right to see that report.

The CHAIRMAN.—The man should always see the reports, and that would entitle him to go to the official who is making the report and say: "I am entitled to something a little better than you have put for me." They would talk about the matter and the official perhaps would amend the report and so render any further action unnecessary. But he might not do it because he was either ill-tempered or entertained a predjudice against the man. In such event the immediate superior officer at least ought to be called in. The man has rights and if he is willing to put them to the test by an appeal to his superior officer on the subject, I think he ought to have an opportunity of doing so.

Mr. HIGMAN.—Yes. I think that in a case where such a term as "poor," or "fair" is employed, the chief should send for the officer complained of and say: "You are reported as being poor in certain particulars," and then give the man a chance to clear himself.

Mr. DUCHARME.—How would it do to have a report containing different items, such as "business conduct." Allow so many points for each, and let the total constitute the man's standing.

Mr. HIGMAN.—A report is prepared in that way.

Mr. DUCHARME.—Another thing: how would you like to have the reports posted in the office where the employees are working?

Mr. HIGMAN.—That would be a good scheme.

The CHAIRMAN.—I think a man complained of should have a chance of seeing the report before it goes in, and thus an opportunity to rectify it.

Mr. PARE.—The secrecy observed at present is what I have to complain of very much.

The CHAIRMAN.—You have made your point and you need not go any further upon that subject. We have gone as far as we can go this afternoon and we thank you very much for the representations you have made.

Mr. WATSON.—When would it be convenient for you to give us another afternoon?

Mr. HIGMAN.—I think we should ask for an opportunity to meet as a committee, or to consult with the Executive of the Association, and go over our work, and for that reason I would say that we should come back to-morrow.

The CHAIRMAN.—Except this: you have sanitation, insurance and superannuation upon which you have said nothing, but upon which I suppose you are prepared to speak.

Mr. HIGMAN.—Yes.

The CHAIRMAN.—We might meet at an early day to deal with these matters, and then you will have a chance to consult among yourselves later on. But are you not as well able to go on with these subjects to-morrow as you were to-day?

Mr. HIGMAN.—Some of us are very busy, and two afternoons in succession might inconvenience us a little, speaking for myself.

Mr. LAKE.—I do not think we ought to inconvenience these gentlemen.

Mr. MACMILLAN.—It was the intention, I think, of the Civil Service Federation, which is a very much larger body than ours, and of which we are a component part, to present the subject of superannuation to you a little later on. I think it was the understanding that it would be hardly necessary for both these bodies to go over the same ground.

The CHAIRMAN.—It certainly would not.

Mr. MACMILLAN.—We would therefore suggest that the question of superannuation be postponed until the Federation presents it.

The CHAIRMAN.—Well, we will accept your suggestion and postpone superannuation. That leaves sanitation and insurance. The latter subject will not take very long because it is very clear, but sanitation is a matter in regard to which we would like to have all the details which you can give us. It is a matter of detail as much as anything.

Mr. BRITTAIN.—We are aware of that, Mr. Chairman; and for that reason there are some specific instances which referred to in the memorial.

The CHAIRMAN.—Then we will receive you again on Friday afternoon at two o'clock.

FRIDAY, February 16, 1912.

The Commission met this afternoon at 2.30 o'clock.

PRESENT:

Honourable A. B. MORINE,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

The following deputation appeared before the board on behalf of the Civil Service Association:

Ormond Higman, *President.*
A. Pare, *Vice-President,*
R. Patching, *Treasurer.*
J. C. O'Connor,
C. E. Bleakney,

A. D. Watson,
E. L. Brittain,
G. W. Taylor,
Alex. M. MacMillan, *Secretary.*

ORGANIZATION.

Mr. CHAIRMAN.—We were discussing the other day that question of organization which, under Section 8 of the Act of 1908, was to be taken up. I want to ask you gentlemen, if you have looked into a question that has occurred to me. The Act says that as soon as practicable, after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by order in council, due regard being had to the status of each officer or clerk as the case may be. Then it says that the order in council shall give the names of the several branches of the department with the number and character of the officers, clerks, and other persons in each and their duties, &c. After being so determined and defined, the organization of the department shall not be changed except by order in council, and copies of such orders in council shall be sent to the Commission. In the discussion the other day on the part of you gentlemen, you rather represented it as though you thought that the organization provided for by that section was one which had regard to the personnel of those who were themselves engaged there for the purpose of putting them in the classes to which they were entitled to belong. It has since occurred to me that that section really means that the departments should be organized in such a way as to prescribe the number of persons who should be in a class in the department with regard to the work of the department.

Mr. HIGMAN.—I think it means more. When the Act of 1908 came into force they were all passed into the permanent service according to the salaries they were then receiving; that was the only means of guiding the departments as to where they should be. Then, as I understand it, clause 8 was to make the final classification and organization of the departments.

Mr. CHAIRMAN.—Assuming that clause 8 has for its main object a proper organization of the departments that is to say that a certain number of clerks were required in that department of subdivision A, a certain number of subdivision B, of the first division, a certain number of the 2nd division and a certain number of the 3rd division, would be required for the purpose of the efficient work of the department. That seems to me to be the main purpose of section 8.

Mr. HIGMAN.—Yes, and of course they could only determine then where an individual should come upon that organization which has never been had.

Mr. CHAIRMAN.—Does it occur to you that that is the main purpose of section 8?

Mr. HIGMAN.—I take it that section 8 is intended for the common organization of the departments. Now let us put it so that he who runs may read. Do you mean that the persons having to organize a department would go into the department and say, now there is certain work to be done here of a routine character, certain work to be done of a higher character requiring administrative work; there is certain work to be done of a technical kind, &c., and having regard, in the first place, purely to the question of the work to be done in this department, we decide that this department requires a certain number of clerks of the first division, a certain number of the third division and a certain number of the second division, and their subdivisions. This is what you think is the main purpose of section 8?

Mr. HIGMAN.—Yes.

Mr. WATSON.—I think there may be some confusion as to the drafting. In the first part it relates to individuals, and in the second subsection it relates to the officers, that is the work, and it is quite possible that if this section were properly

carried out we would have some clerks without positions and some positions without clerks.

Mr. CHAIRMAN.—And in order that we may set things right it is very important that we should know where they are wrong and if the law is mixed, we want to get it clear. There will be no advantage to the Service or to anybody else from leaving it in a mixed condition, and it does strike me that section 8 does mix two things, and I am trying to disentangle them in order to, if possible, remedy the difficulty without injustice to anybody. The first three lines are:

"As soon as practicable after the coming into force of the Act, the head of each department shall cause the organization of his department to be determined and defined by order in council."

If it had stopped there without adding the next line and a half, it would be quite clear, the only purpose would have been to have properly organized the department with regard to the work the department had to do. But then they go on and add the words, "due regard being had to the status of each officer or clerk." That must mean who was then employed in the department. You might have an absolutely irreconcilable clash between the work required to be done and the status of the officers in the department at the time. There might, for instance be men receiving altogether too high a salary to do the routine work in which they were engaged.

Mr. MACMILLAN.—Perhaps I might be allowed to say that I have always had the impression that what you say about section 8 is correct. Section 8 applies to the work of the department and section 6 it seems to me, was devised for the purpose of ensuring the principles that there would be no demotion in the Service, as far as salaries were concerned. This is borne out by an extract I have here from the debates of the House of Commons at the time the Bill was being debated.

Mr. CHAIRMAN.—Is that the debate referred to on page 2 of your memorial to the Premier?

Mr. MACMILLAN.—I think not, this is in connection entirely with classification and organization. Mr. Fisher in reply to a question said:

> "I appreciate what my hon. friend is aiming at, but I do not really see how it can be avoided in any way. Section 8 provides for an organization declaring the standing and class of the officers in the service, and their standing in the classification. This gives an opportunity, where a man is doing a high class of work, to put him in the classification which that work would entitle him to be in. I do not see how we can very well declare by the Act that a certain work that a man may be doing shall entitle him to be put in a certain division."
>
> That is, the work would give him his position in that case.
>
> Mr. Fisher continued:
>
> "I do not see how we can very well declare by the act that a certain work that a man may be doing shall entitle him to be put in a certain division."
>
> Mr. Foster, said in reply:
>
> "You could not declare that by the Act, but you would declare by the Act that the classification should be made according to the duties of the office and then the grading authority would have a basis of principle upon which to work. Here you lay it down as a salary."

That question came up in connection with whether the reorganization was being done under clause 8 or under clause 6, and it seems to me that clause 6 provided that a man who was getting a certain salary should not be demoted as far as his salary is concerned. But under clause 8 the deputy ministers were given authority to reorganize their departments according to the work that was being done.

The CHAIRMAN.—Where do you find authority for your statement that clause 6 provided that they should not be cut down?

Mr. MacMillan.—That is only a presumption from the interpretation of the clause.

Mr. Higman.—There really is no such provision.

Mr. MacMillan.—That is only my interpretation of the clause.

The Chairman.—There is nothing in clause 6 standing by itself to justify that statement. It says that "clerks now holding the rank of first class, shall be placed in subdivision A of the 2nd division," and so on.

Mr. MacMillan.—That is, it insured them getting the same salary that they were formerly getting, because the rank of the first class under the old Act had a certain salary attached.

Mr. Chairman.—It also was perhaps intended for another purpose that is to say that the first class was hereafter to be identical with subdivision A of the 2nd division, merely defining what was meant by subdivision A.

Mr. Higman.—That is all I think.

Mr. MacMillan.—Subsection 3 of section 6 covers subdivision A.

Mr. Chairman.—That is of the third division. I was starting out as an illustration. The beginning of section 6 says:

> "Clerks now holding the rank of first class shall be placed in subdivision A of the 2nd division."

While that placed the clerks as individuals, it also seemed to have another purpose, that is to say that subdivision A of the 2nd division, is tantamount to a first class under the previous classification, thus defining as far as could be what was meant by subdivision A. Of course section 5, subsection 2, provided that subdivision A should consist of officers having the rank of deputy heads, but not being deputy heads administering departments, assistant deputy ministers, and the principal technical and executive officers.

Mr. O'Connor.—Subdivision A of the first division, referred to in section 5, and in section 6, is different from subdivision A of the 2nd division.

Mr. Chairman.—Section 6 refers to the 2nd and 3rd divisions, provided for by section 5, and this more clearly brings out what I said that section 6 was really for the purpose of better defining what the subdivision should consist of.

Mr. Higman.—And the immediate placing of the clerks on the coming into force of the Act.

Mr. Chairman.—Quite so.

Mr. Higman.—It does seem to me that clause 8 has two different purposes, that is the main organization of the department into branches suitably divided for the work that has to be done, and then the placing of the individuals in their respective branches, regard being had to the status of each officer.

Mr. Chairman.—What I should interpret section 8 to mean is this, that after the Act came into force the head of each department was to cause an organization of his department to be made with regard to the work which had to be done and to fix the various classes with regard to the work that had to be done; and that the words there, "due regard being had to the status of each officer or clerk" ought not properly to be in that subsection at all, but it was put in in order to show, and properly show, that regard was to be had to the vested rights of those who were there. When you come to look at them there is not much meaning in the words "due regard being had." It does not amount to this that they shall have the status which they had before.

Mr. Higman.—No, but that is stated, I think, in another section.

Mr. Chairman.—That is what I say, there is really no sense and meaning in the words there because in organizing my department I might have due regard to the

status a man had, but put him in another class on the ground that he was entitled to be there.

Mr. HIGMAN.—Perhaps the fitness for certain work would be a better meaning.

Mr. CHAIRMAN.—I think it went further. I think that carrying out the spirit of these sections of the statute, would mean that although you are organizing that department, while doing so you are incidentally dealing with the vested rights of those already there. Your organization reaches forward into the future and will have to do with a great many men who are not there now and who have vested rights, but you are making that permanent organization for the future and when doing so we want you to have regard to the status of those who are now there.

Mr. TAYLOR.—I think the deputy ministers had a meeting in regard to the meaning of section 8 in order to see if they could arrive at some satisfactory method of procedure in classifying under that section, but they disagreed so widely throughout that really nothing was done. That is the reason of it.

Mr. CHAIRMAN.—I find that the Finance Department appears to have organized and to-day it was brought to our attention that the House of Commons had not only organized, but subsequently reorganized, its staff under the same provision.

Mr. HIGMAN.—And I think that in the Inland Revenue Department there was an order in council stating the branches and other things.

Mr. CHAIRMAN.—The reason I have been pressing this is that if we have to go as our Commission commands us to do, into the organization of a department, my feeling is that we will have to organize that with regard to the work, the various kinds of work done in that department and the volume of the various kinds of work, and we would have to say that this department requires for the efficient performance of its work so many clerks of this class or of that class or of the other class. Well, then, when we came to consider that we would possibly find that for we will say, 2A there were probably more men in the department of that class than the work really required, and that these men were perhaps performing a class of work which might be performed under a proper organization by a lower class. Being there they would have a vested right and probably the order in council would have to contain some such order as this, that despite the fact that there were in that department more men of one class than the organization called for, that until their offices became vacant by death or other cause, they should retain their existing status and rights to salary but as they dropped out one by one, reappointments to that particular branch of that particular grade, would not be made until the proper number under the organization had been arrived at.

Mr. HIGMAN.—I see a difficulty there because our work is growing so enormously from year to year that you cannot have a fixed organization.

Mr. CHAIRMAN.—Of course you know that the organization provided for by the order in council can always be added to by further orders in council and changed; but that is the purpose of the Act, to get an organization and it is the purpose that that organization shall not be changed at the will of the minister from time to time, but that he must go to Council to get an endorsement and as a matter of fact the Treasury Board is charged with that duty.

Mr. WATSON.—That has been done sometimes, changes have been made by order in council, in the clerks in the 2nd division. I have been thinking with regard to those two sections it is possible that neither one of them was taken so seriously in the passing of the Act as they have been taken since. I mean by that that it would be rather a strange assumption for Parliament or anyone to make that the organization of the departments was wrong at the time the Act was passed and turn around and say to the people responsible for that wrong organization to go ahead and reorganize. It seems to me it would be rather meaningless to tell people who are responsible for

a disorganized department to reorganize it. If that is the case it is possible that section 6 means what it says on the face of it. Section 8 would simply mean that we had certain classes of work named and defined under the old Act; we come to a new Act with new names without any real change in fact, to be attached to these positions, and possibly it really means a renaming rather than a reorganizing, for it does seem to me that to tell the people responsible for a bad organization to get to work and reorganize the same department would, to a large extent be meaningless.

The CHAIRMAN.—Your argument breaks down because the persons who would reorganize are not necessarily those who organize. An organization is a matter of years, and is never taken up root and branch, and section 8 intends a root and branch organization. I think that this means nothing more than this that pending that reorganization certain clerks are to be put in the 2nd and 3rd division as pointed out in section 6, and to stay there until the reorganization. I do not think you can take it any further than that. It might seem like splitting hairs, but I would like to get a clear conception from all of you because we have to go into this work of organizing very soon. We have been asked by one department to consider the matter soon.

Mr. O'CONNOR.—Section 5 is very clear. It only requires somebody to judge on the classes of the work. If section 8 is taken with section 5, then section 6 is really only a temporary measure and reorganization can be carried out along the lines of section 5, under authority from section 8.

Mr. CHAIRMAN.—That is the feeling I have expressed, that section 6 was to fix it for the time being.

Mr. O'CONNOR.—Yes.

Mr. BLEAKNEY.—Five defined what the divisions are to be and 8 practically says to fix the service so it will conform with section 5.

Mr. CHAIRMAN.—And that brings in those words, about regard being had to the status of the men.

Mr. BLEAKNEY.—A man might be there on account of his salary and not of his work.

Mr. CHAIRMAN.—As a matter of fact those words about regard being had to the status are mere nonsense. What is meant is probably due regard being had to the present salary or something like that. The words might better have been left out and there might have been a special provision that in this reorganization no man should for that reason be cut down in his salary.

Mr. HIGMAN.—It is a well-known principle in the service that no man, unless for glaring misconduct should suffer a reduction of salary at anytime.

Mr. CHAIRMAN.—I do not think the words "due regard to be had" mean any more than this that in making your reorganization, you shall not, solely for the sake of making the reorganization cut a man down in his salary. The man might change his status from one division or subdivision to the other, according to section 5, as the class of his work seemed to demand.

Mr. O'CONNOR.—That is what I would think.

Mr. MACMILLAN.—Sections 6 and 8 undoubtedly refer to the coming into force of of the Act, that is, they were the stepping stones between the old conditions and the new. Section 6 was the first stepping stone that enabled the Act to come into force and section 8 was, I suppose, to be put into effect immediately or as soon afterwards as possible. That of course, has not been done in all of the departments.

Mr. LAKE.—You used the expression, Mr. Higman, what the deputies meant by this clause, or what they understood by it.

Mr. HIGMAN.—They could not agree just as to what was required of them under that section, they could not agree among themselves. One wanted to do one thing and another another thing, and so most of them did nothing.

Mr. LAKE.—You used the word "meant" in the first instance and I thought you might mean that they met together before the clause was framed.

Mr. HIGMAN.—No, afterwards, to see if they could organize under it, and because of disagreement they could not do it.

Mr. LAKE.—They had a meeting to go into the question afterwards?

Mr. HIGMAN.—I think so.

Mr. LAKE.—And decided—

Mr. HIGMAN.—They could not agree.

Mr. LAKE.—On one general organization?

Mr. HIGMAN.—No. As to just what the section meant. One deputy interpreted it one way and proceeded I think in our department, the Department of Inland Revenue, with an organization of the department. So has the Department of Finance. There are only two or three which have attempted organizing under that clause there being a disagreement as to what it really meant.

Mr. LAKE.—The deputies did meet together to see if they could agree as to what was the general meaning.

Mr. HIGMAN.—Yes.

Mr. CHAIRMAN.—It seems to me that reorganization in order to be fair to all the members of the Service, must necessarily be carried out by one organizing authority.

Mr. O'CONNOR.—Yes.

Mr. CHAIRMAN.—Because if you have every department making its own organization then you will have inequalities between the departments, the status in one department will not be at all like the status in another, it will depend on the idiosyncrasies of the deputy. And while those in charge of each department ought to be very carefully consulted about the organization, still the final organizing authority ought to be the one body, whatever it may be.

Mr. WATSON.—There was a good deal of difficulty, in making out that organization at that time. I know of a certain department where there were three young men in the old junior second, and according to clause 6, they would only go into the third division, but these men had exceptional qualifications, they were all college graduates, and the college courses they had taken especially suited them for the work they were doing, and when they were brought into the departments it was not the intention that they should remain at low salaries. They had only been in a year or two when the reorganization took place and it was the intention of the department that as soon as they made themselves familiar with the routine work and that sort of thing they should be immediately promoted. But more than that certain of those young men had taken other examinations along the line of their work, not Civil Service Examinations, to fit themselves for promotion, but notwithstanding all that a great deal of trouble was experienced in getting them into the 2nd division at the time of the reorganization so that shows it was not too easy for the departments even though they wanted to. There was every desire on the part of the officers of the department to get them into the 2nd division. They got them there but it was with great difficulty.

Mr. LAKE.—The old promotion examination was on a literary examination or was it entirely an examination as to the qualification of a man for the duties of his office?

Mr. WATSON.—There were two papers, I think.

Mr. BLEAKNEY.—There were general examinatios on arithmetic, &c., and a paper on duties of office and one on efficiency.

Mr. CHAIRMAN.—It was an examination which an ordinarily well informed man such as ought to be in any branch of the service could pass provided he knew the duties of his office?

Mr. BLEAKNEY.—Yes, it was practically a repetition of part of the qualifying examination.

Mr. CHAIRMAN.—But of such a character that a man who had passed the qualifying examination and who had become familiar with the duties of his office could pass it.

Mr. LAKE.—But he need not go back to a crammer again?

Mr. BLEAKNEY.—It depends on how long he had been away from school. It was not a joke, the questions were, if anything more difficult than the questions set to-day on the 2nd division papers. The report of 1908 will give them.

Mr. CHAIRMAN.—What is your objection to the present promotion examination?

Mr. BLEAKNEY.—There are more subjects covered by the present promotion examination, there are practically ten on the new examination.

Mr. CHAIRMAN.—But is the present examination, after all very much more serious than the old one was?

Mr. BLEAKNEY.—To me it does not appear to be outside of the new subjects introduced.

Mr. CHAIRMAN.—With regard to the new subjects introduced are they such subjects as a man having the qualifications to pass the old promotion examination would be apt to fail in?

Mr. BLEAKNEY.—Yes, they are such subjects.

Mr. CHAIRMAN.—What are they for instance?

Mr. BLEAKNEY.—Literature is a new subject and political science and economics and algebra and geometry.

The CHAIRMAN.—Comparing the present promotion examination with the old examination are you objecting to the present examination because it is much more difficult or are you going further back than that and objecting to any sort of promotion examination except in the duties of his office after a man has been in the service for a number of years?

Mr. BLEAKNEY.—That is a question that might take two answers. Personally I do not think it is necessary to ask a man to pass an examination twice on the same subjects. As we cite in our memorial we are not objecting to an examination being set but we do object to it being set twice.

The CHAIRMAN.—I am trying hard to get at the real spirit of what you are urging. I want you to see the distinction in my mind between your body coming here and saying, we object to a promotion examination such as it is at present, because it is very much more difficult than the old examination either in variety of subjects or the degree of knowledge required of particular subjects, and saying that you go to the root of the matter and say that a man once having passed a qualifying examination going into the service and remaining there for some time should subsequently only be examined in the duties of his office and his actual qualification for doing those duties. You see the distinction? Do you object to one, or both?

Mr. BLEAKNEY.—In replying to that we have what they call the dual entrance to the Service that has to be considered.

Mr. CHAIRMAN.—Let us stick to the promotion examination. Which is it you object to, or do you object to both?

Mr. BLEAKNEY.—The promotion examination as at present is a special examination set for men in the service before 1908 only. There is no such thing as a promotion examination for any one coming in since 1908. Those men who were qualified to enter the Service before 1908, if they can pass a paper on duties of office, and

efficiency, should not, in my opinion be called on to do any more. But for people coming into the Service, since 1908, if they enter into the 3rd division, which is a lower divison, they know that the Service is established on such lines that they must have a second examination to secure entrance into the 2nd division and must take not a promotion but an entrance examination.

Mr. CHAIRMAN.—Let us first talk about the men who were in the service before 1908, let us take the civil servants of that class for the present, leaving out the men who are coming in. By section 26, subsection 2 they may be given a certificate of qualification with or without an examination and you say the practice of the department is to have an examination?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—What I want to know is this, is your objection on that ground wholly based on this contention that such certificates of qualification could be given without examination as to literary qualification or education?

Mr. MACMILLAN.—You refer only to the men appointed previous to 1908?

Mr. HIGMAN.—I think perhaps I can make the matter a little clearer. What the 3rd division, or those of them who came into the service prior to 1908 are looking for is, that the examination then had with regard to promotion should obtain now instead of the academic examination that has been presented to them by the Commission. I have read some of these papers. There has been a slight modification within the last year, but I have read some of them and they contain pretty stiff questions in algebra, literature, geometry, Roman and Greek history and matters or that kind. It is simply impossible for a man who had been any time away from school or college to pass such an examination. I have doubts in my own mind whether the commissioners themselves could pass it.

Mr. WATSON.—I think perhaps the trouble is this that for the purposes of this memorial we could all agree that things should not be made more difficult for those employees who were in before 1908, than they then were. Individually we might have our private opinions as to whether any examination should be held or not. We feel that we have vested rights and that they should be continued to us and for purposes of this memorial and for other purposes, we thought that we could demand that with a fair measure of success. Some might think the examination should be severe and others that there should be no examinations.

Mr. CHAIRMAN.—You would be satisfied if section 26, subsection 2, were to be amended in this way:—

> "A certificate of qualification by the Commission to be given with such an examination as obtained prior to the coming into force of the Act for 1908."

Mr. WATSON.—That is what we have asked for, as a body.

Mr. MACMILLAN.—As to certain individuals, men who had already passed the promotion examination and had obtained a degree of efficiency which entitled them to a chief clerkship, we are not asking that clause should apply to these men.

Mr. CHAIRMAN.—You are only asking that with regard to Nos. 2 and 3 of your recommendations, on page 3 of your memorial to the premier.

Mr. MACMILLAN.—Section 2, more particularly.

Mr. CHAIRMAN.—Your request for the changing of subsection 2 of section 26 applies to what clerks of the 3rd division.

Mr. O'CONNOR.—I do not think our request is exactly that, it is rather that the regulations of the Civil Service Commission made under that section, should be amended.

Mr. CHAIRMAN.—Subsection 2 of section 26 says:—

"Any person placed in the 3rd division upon the coming into force of this Act may, by the Governor in Council, upon the recommendation of the head of the de-

partment, based on the report in writing of the deputy head, and accompanied by a certificate of qualification by the Commission to be given with or without examination, as it is determined by the regulations of the Commission, be promoted from the 3rd division to the 2nd division without an open competitive examination."

What I asked was if you would be satisfied to have that changed to such an examination as obtained prior to 1908?

Mr. WATSON.—That is such an examination provided the individual had not already passed it. I would agree to that subject to the reservation that any one who had passed these examinations would not be required to do so again, that is that they should have the same rights continued to them that they enjoyed prior to the coming into force of the Act. That is all we asked in our memorial. We may have our private opinions about the examination at all.

Mr. HIGMAN.—It could only apply to grade A of the 3rd division because these are the only ones ready to be promoted.

Mr. CHAIRMAN.—Look at page 3 of the memorial and the three classes of clerks in the 3rd division therein referred to. You do not ask that with regard to the first-class of these three, because they have passed the examination. You do not say that with regard to the second class of third class clerks there mentioned do you?

Mr. MACMILLAN.—Yes.

Mr. BLEAKNEY.—We ask that they should be examined on duties of office, the only thing in which they were not already examined.

Mr. CHAIRMAN.—Then the words to be given with such examination would apply?

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—And do you ask this with regard to the second and third groups of third class clerks mentioned on page 3 of your memorial?

Mr. BLEAKNEY.—Yes.

Mr. MACMILLAN.—The reading you gave would cover the whole three.

Mr. CHAIRMAN.—I proposed to change it to "a certificate of qualification to be given with such examination as obtained prior to the coming into force of the Act of 1908."

Mr. BRITTAIN.—That applies to the 3rd division only.

Mr. CHAIRMAN.—To the second and third groups of these clerks of the 3rd division referred to on page 3 of your memorial.

Mr. MACMILLAN.—The fact is that the only feature of the law that we object to is the retroactive aspect of it, that it is putting a hardship in front of some men that was not there before.

Mr. CHAIRMAN.—Broadly speaking, what you ask for, is to be put where you were?

Mr. MACMILLAN.—You might say it is the retroactive aspect that we object to. The question of promotion involves another principle altogether. Personally I am opposed to an academic examination once a man has entered into the Service.

Mr. CHAIRMAN.—I suppose we had better not enter into the personal element.

Mr. BLEAKNEY.—We have not yet really considered whether we should pass an examination or not.

Mr. CHAIRMAN.—You will just take it then for what you are asking officially.

Mr. PARE.—I would like to clear a doubt which you may have in your mind. According to your suggested wording of section 2, "a certificate with examination such as obtained prior to 1908," would that mean that they would have to pass again examination similar in character to those which they may have passed?

Mr. CHAIRMAN.—Oh, no, because we have said it only applies to groups 2 and 3 of the 3rd division mentioned on page 3. Group 3 includes those who had not

passed any examination. Group 2 includes those who passed the qualifying but not a promotion examination. Group 3 includes those who passed no examination. They would have to pass according to the old rule a qualifying examination and later on a promotion examination in duties of office, would they not?

Mr. HIGMAN.—Yes.

Mr. CHAIRMAN.—If you changed the words in the spirit I have suggested, you would be getting back to "as you were."

Mr. O'CONNOR.—The reason we are so particular about the wording of this rather than the spirit is that under section 26 we thought that our rights were already guarded, but when the Act was actually brought into force we found they were not so now, if any change is made in the Act we would like to be good and sure.

Mr. CHAIRMAN.—At present we are trying to get at the spirit. Somebody else will have to get at the wording later on.

Mr. BLEAKNEY.—I would like to mention one more point with reference to the examination. It is that this examination between the 3rd and 2nd division is actually taking the place of subsection 3 of section 5, which classifies who shall be in the 3rd divison. It states there what the 2nd division shall consist of.

Mr. CHAIRMAN.—It shall consist of certain other clerks, having technical, administrative, executive, or other duties, which are of the same character as but of less importance and responsibility than, those of the 1st division.

Mr. BLEAKNEY.—Subsection 4 says that the 3rd division shall consist of the other clerks who are doing routine work, &c.

Mr. CHAIRMAN.—What do you mean by saying that the examination is taking the place of this classification?

Mr. BLEAKNEY.—It is actually working out that the 2nd division shall consist of men who have passed the second examination and the third of men who have not. We have several instances where men have been working in the 3rd division and have passed the examination and have immediately gone into the 2nd division without a change of work; it has simply changed them from routine clerks, to administrative officers, that has been the effect of passing the examination.

Mr. CHAIRMAN.—What you mean to say is that inasmuch of persons in the 3rd division who passed the promotion examination, are, by the passing, immediately put into the 2nd division, the 2nd division may actually consist of a number of persons who have got through their examinations but are not performing the duties set out in subsection 3 of section 5.

Mr. BLEAKNEY.—Not necessarily that, but their duties having been defined they are performing the same duties as are performed by 3rd division clerks. I do not know whether the duties belong to the 2nd or 3rd division.

Mr. CHAIRMAN.—You mean that men in the 3rd division passing the promotion examination get into the 2nd division, and continue to do routine work such as 3rd division men are supposed to do.

Mr. BLEAKNEY.—No. I do not say that the 3rd division are all doing routine work.

Mr. CHAIRMAN.—Persons promoted into the 2nd division by passing the examination sometimes continue to do the work pointed out in subsections 4 and 5 as belonging to the 3rd division.

Mr. BLEAKNEY.—That is hardly my statement. My statement is that they are doing the same work as they were doing before they were promoted.

Mr. CHAIRMAN.—Was that not work under subsection 4?

Mr. BLEAKNEY.—It might have come under subsection 3, but they were in the 3rd division until they passed the examination.

Mr. CHAIRMAN.—If they were doing work under subsection 3, then their promotion was only an act of justice.

Mr. BLEAKNEY.—But there are others who have not passed the examination who are doing the same work as these people.

Mr. CHAIRMAN.—Then you mean that there are people who are still in the 3rd division who are doing a class of work which it was intended by the Act should be done by the 2nd division?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—Do you not go further and admit that there are persons who are now in the second division and who are being paid as 2nd division clerks who are doing the work which by the Act was intended to be done by the third division?

Mr. BLEAKNEY.—I would have to add my interpretation of the Act.

Mr. CHAIRMAN.—I am drawing you to section 5, subsection 4, which says that the 3rd division shall consist of clerks whose duties are copying and routine work. Are there not in the departments a number of men at present second division men, who are doing copying and routine work?

Mr. BLEAKNEY.—Yes, sir.

Mr. CHAIRMAN.—So there are people in the third division doing 2nd division work, and people in the 2nd division doing 3rd division work.

Mr. BLEAKNEY.—Yes, the point I want to bring out is that there is no official line in practice between the 2nd and 3rd divisions.

Mr. CHAIRMAN.—The Act provides a line.

Mr. BLEAKNEY.—It has not been brought into practice.

Mr. CHAIRMAN.—The Act draws the line, but from lack of organization, the Act is not being carried out in the departments.

Mr. BLEAKNEY.—That is the point.

Mr. CHAIRMAN.—And that is true on both sides of the question.

Mr. BLEAKNEY.—Yes, not only the second, but men included in the 1st division are doing routine work.

Mr. CHAIRMAN.—And that complaint may be referred to the 1st division, subdivision A and both.

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—In other words, there is a crying need for an organization.

Mr. BLEAKNEY.—Yes.

Mr. CHAIRMAN.—Will you go on to the next subject, or is there anything you wish to add on this subject?

Mr. HIGMAN.—The next subject is the age limit of entrants to the second division.

Mr. PARE.—Mr. Chairman, I should think that our memorial is pretty clear on this matter, and that we need not spend very much time on it, as I think you will find it is made absolutely clear in the memorial. It seems so reasonable in fact that it must have been an oversight on the part of the framers of the Act if there has been no modification of that age limit in certain cases. Under section 50 of the old Act which has not been repealed by the Act of 1908. I refer now to R.S., chap 17, section 50 of that Act provides 'No person shall be transferred from the outside to the inside service whose age at the date of first appointment exceeded thirty-five years.' As we explained the other day the new Act, that is the amending Act of 1908, provides a dual entrance system.

Mr. CHAIRMAN.—In what way?

Mr. PARE.—Those who enter the service in the third division or in the messenger division, are supposed to enter the service again if they go to the open competitive

examination to enter the second division. That is the decision of the Justice Department. I do not think the amending Act of 1908 states that any one who joins the second division should be considered as a new man whether he was in the Service before or not.

Mr. CHAIRMAN.—What section of the Act is that.

Mr. PARE.—I do not know of any section in the amending Act of 1908 that states that a civil servant already employed as a messenger or third division clerk must be considered as a newcomer if he joins the second division, but that is the ruling of the Justice Department, as we say in our memorial.

Mr. CHAIRMAN.—Section 13 provides "Except as herein otherwise provided, appointment to positions in the inside service under that of deputy head shall be by competitive examination." Which is the section that provides for entrance to the second division.

Mr. PARE.—Clause 36.

Mr. CHAIRMAN.—That deals with clerks in the third division.

Mr. PARE.—Clerks in the third division shall be permitted to enter in the open competitive examination for the second division.

Mr. CHAIRMAN.—I was rather asking if there was a section of the Act which provides that if the candidate gets a certain number of marks he may enter into the second division instead of the third.

Mr. MACMILLAN.—There are two different examinations. There are two doors to enter the Service, the lower door which begins with the third division, and the upper door which begins with the second division. Mr. Pare's contention is that the man who enters by the lower door, who tries to go to the upper door is treated as a newcomer.

Mr. CHAIRMAN.—You say that because of that ruling of the Justice Department a third class clerk comes as a newcomer, and cannot take that competitive examination after thirty-five years of age?

Mr. PARE.—So that a man who has been in the third division, who has studied and tried to better his education, but did not succeed before he was thirty-five years of age is precluded for his whole life in respect to promotion to the second division.

Mr. CHAIRMAN.—Those who were in before 1908 might get into the second division under subsection 2 of section 26, but with regard to those who entered after 1908 you say they would have no chance of getting in whatever.

Mr. PARE.—Should they qualify only when they have passed the age of 35 they are debarred. We say in our memorial that that appears to be quite unfair and that it could not have been the intention of the framers of the Act.

Mr. CHAIRMAN.—It strikes me as being very strange, and I should like to see the reason for it, how it can be said that they were entering the service because they were taking a promotion examination.

Mr. TAYLOR.—He is debarred by the Act.

Mr. CHAIRMAN.—The section which bars him out is not section 50, but section 14 of the Act of 1908. Mr. Pare started out by citing section 50 of the old statute.

Mr. PARE.—Which fixes the age limit of entrants at 35 years. It was fixed before 1908.

Mr. CHAIRMAN.—Section 50 of the old Act has to do with transfers from the outside service to the inside service. The section which appears to be barring the man is section 14 of the Act of 1908.

Mr. PARE.—I should have cited that section too.

Mr. CHAIRMAN.—That is the only section, is it not, because that admission under section 50 is from the outside to the inside service.

Mr. PARE.—I should have cited that section also.

Mr. CHAIRMAN.—That is the only section is it not, because that admission under section 50 is from the outside to the inside service.

Mr. BLEAKNEY.—I think Mr. Pare cited that to show the difference between the two, because that states that his age was over 35 when he entered the outside service. This does not refer to the age when he entered the third division, but when he took the examination.

Mr. CHAIRMAN.—Mr. Pare means that under section 50 of the old statute the age in reference to which his rights were considered was at the date of his first appointment, whereas under section 14 he is considered a fresh applicant every time he comes up for examination.

Mr. PARE.—Exactly.

Mr. CHAIRMAN.—The Justice Department would be quite right in that decision. It says, "No person shall be admitted to such an examination unless he is a natural born or naturalized British subject, and has been a resident of Canada for at least three years, and is, at the time of the examination, of the full age of 18 years and not more than 35 years, and presents the required certificates as to health, character and habits."

Mr. PARE.—There is no promotion from the third or messenger division to the second division, it is just entrance into the service again.

Mr. CHAIRMAN.—What you wish to say is that with regard to persons in the service, section 14 ought to be changed, so as to allow them to come up for examination if they have entered the Service in any capacity before the age of 35. That is clearly a case of omission by Parliament, they could not have intended such a thing as that. Section 14 refers to section 13, and section 13 says: "Except as herein otherwise provided, appointment to positions in the inside service under that of deputy head shall be by competitive examination, which shall be of such a nature as will determine the qualifications of candidates for the particular positions to which they are to be appointed, and shall be held by the Commission from time to time in accordance with the regulations made by it and approved by the Governor in Council." That section 13 strengthens my contention very strongly that words in section 14, "No person shall be admitted to such an examination" refers to a competitive examination for appointment, and that a man who comes up from the third to the second division is not taking an examination for appointment, but only for promotion.

Mr. BLEAKNEY.—The only examination he can take is the competitive examination.

Mr. CHAIRMAN.—He is not taking it for appointment, but only for promotion. He already has his position.

Mr. MACMILLAN.—The Justice Department has ruled the other way.

Mr. CHAIRMAN.—With due reference to the Justice Department if they ruled on section 14, that no person shall be admitted to such an examination, in my opinion such an examination means an examination for appointment to the inside service. An examination to pass from the third to the second division is not an examination for appointment, and therefore the words in section 14 do not apply.

Mr. PARE.—Strictly speaking, it is an examination for appointment.

Mr. CHAIRMAN.—No it is not.

Mr. PARE.—It is a dual entrance.

Mr. BLEAKNEY.—He comes in competition with outside applicants.

Mr. CHAIRMAN.—He is not appointed to a different department. He is already a clerk in the department, but has been appointed to a position in the inside service.

Mr. HIGMAN.—He would not lose his position if he failed on his examination, he would still be in the service.

Mr. CHAIRMAN.—Section 13 clearly applies to the first appointment of a person to a position in the inside service, and section 14 was intended to say that no person should be admitted to such an examination unless he had certain qualifications, and it would have been absurd to have provided those qualifications for a man already in the service, such things as being a British subject and a resident of Canada; all these conditions had been complied with before he was permitted to enter the service in the first place.

Mr. LAKE.—Could you give me a reference to one particular instance in which the Justice Department has ruled.

Mr. PARE.—I have not a particular case here, but I think it could be found by our secretary, Mr. Coates, our former secretary, stated that he had seen specific cases, and there is a ruling in writing, I understand by the Department of Justice.

Mr. CHAIRMAN.—I must say that it appears to me that the considerations which make it desirable that a man entering the Service should not be above a certain age have absolutely no application to promotion within the service where a man is already established. I see no sense in such a thing. If a man has become a public servant, and has been a number of years in the public service, and has attained the age of 35, then if he has the other qualifications for promotion why should he be prevented from rising.

Mr. MACMILLAN.—We think it is unjust.

Mr. BLEAKNEY.—In the archives they wanted an accountant, and advertised, and a man in the service wished to try the competitive examination, and he was refused, because he was over 35 years.

Mr. LAKE.—You said you would find the special cases.

Mr. CHAIRMAN.—Do you wish to go on to another subject. It strikes us you are right enough in that.

SANITATION.

Mr. HIGMAN.—We might take up the question of sanitation, and I would ask Mr. Taylor to say something in regard to that.

Mr. TAYLOR.—I do not know that on this subject we have a very great deal to say. To mention the subject is to emphasize its importance. The importance of sanitation in public buildings is recognized throughout the whole civilized world to-day, and increasing attention is being paid to it in every country. Many of the public buildings connected with the Civil Service in Ottawa have exceedingly bad sanitary conditions. I do not know that it has come to your individual notice, or has been brought before you as a commission, that firm action was taken by the present government after their accession to power to remedy some of these conditions, particularly by the Postmaster General. The Postmaster General discovered sanitary conditions in the Langevin Block of a most startling character in so far as ventilation is concerned, and other conditions detrimental to the health of public servants who were employed in that particular building. What has been discovered in that building applies to a large number of other buildings. I shall not go into the details connected with that, because Mr. Brittain is much more competent, as he had made a closer study of the subject in detail. But while Mr. Brittain can deal with that I think it is simply necessary for me to say that when we bring the subject to your notice, and state that in a number of buildings the lighting, ventilation, and other conditions that go to make up good sanitary arrangements are of the worst possible character it is all I need say.

Mr. BRITTAIN.—I do not think that it is necessary for us to make any long statement. You have here the report of the Commission.

Mr. CHAIRMAN.—You mean your memorial to the Premier.

Mr. BRITTAIN.—And with that memorial was submitted a confidential report setting forth certain buildings in which the conditions were considered unsanitary, but for various reasons that report was made confidential. Of the buildings enumerated there the first is the Langevin Block, to which attention has since been given. The conditions there were very bad. A large part of this difficulty is due to overcrowding, and the Government has been obliged to lease buildings which in many cases are not properly equipped for the housing of the Service. The lavatories are in the centre of the buildings, and practically get no chance for ventilation, and in the case of the Langevin Block the Post Office Department was so overcrowded that part of the staff were placed downstairs in the basement in very small rooms, not sufficiently lighted, the ventilation was bad, and the public had access to the lavatories, teamsters and others could enter, and the lavatories were in a condition not fit for any official to use, and the stench from these lavatories when the wind got in would fill the corridors. We do not want to make any charges. We know that the buildings were overcrowded, and that the Government were forced probably to use these quarters. Latterly they have got new quarters, and part of the Post Office Department has been transferred to the Blackburn Building, and the employees are being gradually removed into other quarters. I noticed yesterday that the corridors which were formerly crowded with forms have been cleared, the walls tinted and cleaned, and matters put in much better shape.

Complaints are made of a number of leased buildings as set forth in the memorial, among them the Regal Building and the Canadian Building. We shall take the latter first. The Canadian Building and the Woods Building are leased buildings. We hesitated about making particular reference to that on account of the lessors, but I may say that the conditions in those buildings are very bad. The lavatories at times have not been flushed for probably days at a time. One reason for that last year was that the water pressure was very poor. Other causes I think are that the plumbing is not up to the mark, and I have made representations myself to the secretary treasurer of that building with regard to the lavatories. In fact in some of the lavatories they have to connect wires to give them light.

Mr. CHAIRMAN.—What departments are there?

Mr. BRITTAIN.—The statistical branch of the Customs Department, the Department of Agriculture, the Department of the Interior, the Department of Militia, and sections of various other departments. At the Regal Building lights have latterly been put in some of the lavatories, but I think the halls are still poorly lighted, and the lavatories there are not in as good condition as they should be. This building is at the corner of Queen and O'Connor. It is the old Y.M.C.A. building.

In the Imperial Building the lavatories are badly lighted. In the Topographical Building the lavatories are not as they should be. In some of these buildings the departments might take sufficient interest to look after the tinting of the walls, and the painting of the woodwork. That depends on a requisition to the Public Works Department.

Mr. LAKE.—Some of these are owned by the Government?

Mr. BRITTAIN.—Some of these are leased buildings. The Eagle Building at 104 Wellington street is another. That practically covers most of the buildings.

Mr. CHAIRMAN.—Of course you know it is proposed by the Government to build some departmental blocks. Could any immediate improvement be made in these buildings before new places are provided. Are there any improvements that you can suggest that the Government would be justified in making before the new buildings could be provided?

Mr. BRITTAIN.—I think certainly that some of the buildings could be improved if the owners were willing to incur the expense.

Mr. CHAIRMAN.—If the owners would do it. Supposing the owners will not do it what would you suggest that the Government should do?

Mr. BRITTAIN.—I think the Government might do it themselves then. For instance, at the Canadian Woods buildings they could inspect the plumbing. The medical health officer or some one could go in and look at the conditions, and then they would probably find it desirable to have the plumbing altered.

Mr. CHAIRMAN.—Do you think that some improvements which would have a really beneficial effect could be made without an excessive cost?

Mr. BRITTAIN.—I think they could certainly.

Mr. CHAIRMAN.—If the Government are going to build new blocks we know that it will take some time. They would naturally strain at any large expenditure upon buildings which they might be leaving afterwards.

Mr. BRITTAIN.—I think the Public Works do the heating in the former leases. Latterly, they provided that the landlord should attend to the heating and other matters. I believe that under the present leases the owners undertake to keep the buildings in proper condition, as far as heating and lighting are concerned.

Mr. CHAIRMAN.—Heating and lighting would exclude the duty of doing what you ask.

Mr. BRITTAIN.—I do not know exactly the terms of the leases.

Mr. CHAIRMAN.—The worst cases are the ones you have mentioned, the Canadian and the Regal buildings.

Mr. BRITTAIN.—The Langevin Block. The old geological building which is now being renovated and changed was in very bad condition too.

Mr. LAKE.—Those are both owned by the Government, and the Government are now actually improving conditions there.

Mr. CHAIRMAN.—I want to get at the worst of the cases that you think we can start on at once.

Mr. BRITTAIN.—These would be the worst. At 202 Albert street the lavatories are used by both sexes, which is undesirable. The Government had to take the building hurriedly, and there has not been proper provision made for the lavatories.

Mr. LAKE.—You make a recommendation in the memorial, do you not, appointing a foreman to look after these buildings?

Mr. BRITTAIN.—I have found that unless there was a proper supervision there was a difficulty with regard to the cleaning, and the trouble was to get the powers that be to recognize that it was necessary to have foremen. Latterly, two or three foremen have been appointed who have taken over the work on Wellington street, and some of the blocks, and any one looking at the Mint, the Archives, and one or two of these buildings will see that everything is looked after as well as it can be. The estimates provide this year for an additional five men for supervising, giving each of them a number of buildings for which they are responsible, and they all report to the superintendent.

The CHAIRMAN.—Will that be a sufficient number of foremen to provide for all the buildings not now provided for?

Mr. BRITTAIN.—The difficulty is to get the proper men.

Mr. CHAIRMAN.—The first thing is to provide for them in the estimates.

Mr. BRITTAIN.—I think that 7 to 10 men ought to be sufficient.

Mr. CHAIRMAN.—Provision has only been made for 5.

Mr. BRITTAIN.—Provision has been made for 7 altogether.

Mr. CHAIRMAN.—As far as the parliamentary provision is concerned you think that is sufficient.

Mr. BRITTAIN.—I think that would be sufficient for the present. The buildings used by the Government have increased largely in number. We have now 43 buildings, and in the last two years I suppose there has been an increase of 15 buildings.

Mr. CHAIRMAN.—Has that been due to the great increase in the size of the Service?

Mr. BRITTAIN.—Evidently.

Mr. CHAIRMAN.—Has it increased in that ratio in the past few years?

Mr. BRITTAIN.—Evidently. Of course some buildings are small, the Government occupy a flat or two flats or three flats in certain buildings. You have to scatter your offices in that case. The staff is distributed, but one man can look after three or four buildings.

Mr. CHAIRMAN.—Are you familiar with the buildings occupied by large corporations in other cities?

Mr. BRITTAIN.—No. I have not looked at them in other cities, but I was surprised to find in that building, although it is most satisfactory, the heating arrangements were very poor.

Mr. CHAIRMAN.—One feature struck me. The few offices I have seen in all the large departmental blocks are very small. A great deal of room inside is taken up with walls. In the large corporations where they employ many men doing similar or almost similar work they use very large rooms, the employees are seated at different desks, but many of them are within one enclosure. That is done, first, for the ventilation of the room, and second, because they can be kept under observation in their work. The employees are not separated, as they are in these departments.

Mr. BRITTAIN.—That, I think, was attempted to be carried out in the Langevin Block. They have large rooms there, and one difficulty has been that there were 20 to 40 employees in a room all day, and when they left at night the engineer would come round, by order of the Public Works Department, and hermetically seal the windows, and in the morning at 9 o'clock the employees are breathing the air of the day before.

Mr. CHAIRMAN.—That is a case of overcrowding and insufficient ventilation.

Mr. LAKE.—Have any representations been made to the Public Works Department to get them to allow the windows to be kept open.

Mr. BRITTAIN.—Yes sir, on different occasions.

Mr. LAKE.—What is the reason given?

Mr. BRITTAIN.—Various reasons are given, among others that a thunder storm might come up during the night, beat into the windows, and injure papers that may be left around. Another reason given is that the window may be opened, and the papers of careless clerks may be scattered over the room. Last evening I was speaking to Mr. Shearer about the matter, and he said it was possible that some arrangement might be made to leave them open for a few hours. I suggested leaving them open until 8 or 9 o'clock in the evening, and then to have them opened early in the morning. He said they could not open them in the morning, but might open them for a time in the evening.

Mr. CHAIRMAN.—Why not in the morning?

Mr. BRITTAIN.—They do not undertake to open the windows in the morning. He gave as a reason that they could not be responsible for any damage from thunder storms if ther men opened the windows.

LIGHTING.

Mr. HIGMAN.—There is a small item in the memorial here of "In the opinion of the Association the lighting generally in the offices is quite inadequate, and the electric fixtures are for the most part of a very inferior description. Without wishing to reflect on any person responsible for the lighting or any of these matters, I feel it my duty to call the attention of the Association to that subject. You, sir, who have been in the House of Commons, and doubtless at Washingon, will know how careful they are to look after the ornamental part of the work in the corridors, and the rooms. The work is ornate and chaste. In our public buildings here, unfortunately, there is, I might say, almost a total disregard of that feature of the work. In these main Parliament Buildings, take the West Block for instance, where I am located, going along the corridors you will see some lights hanging by a flexible cord. Others are brought down by an old gas pendant, that is probably hanging at an angle of 40 degrees, and another at 20, and possibly some of them straight down. The whole thing to my mind looks very bad, and is not at all in accordance with illuminating engineering of the present day. Certainly the public buildings of Canada call for something a little better, and as I say, while not wishing to reflect on the officers who are responsible for this work, I do consider it my duty to call the attention of the Commission to it. Not only in the corridors, but in the offices, that condition exists very largely.

Mr. PARE.—I might be permitted to say a word regarding lavatories, especially in large buildings such as the West Block, where I am working. These lavatories are to a large extent public lavatories. You understand that a great many people come around and use them. It may be thought a reflection on the Service to see those lavatories in such a filthy condition as sometimes they are, but it would be unfair to say that it is due to the civil servants. It seems to be largely due to the public. I do not know why the public would not be able to do for these semi-public lavatories what is done in hotels. We have been told that the buildings are looked after by foremen, but I understand that the foremen have nothing to do with the lavatories after 8 or 9 o'clock in the morning until the evening. It would therefore not be surprising that towards the middle of the afternoon those places do not look very neat and clean, and at least one man in each block should be appointed to go around those lavatories all day long during office hours.

Mr. CHAIRMAN.—Are the lavatories used by the clerks in the offices open to the public in every case?

Mr. PARE.—Yes, everybody. The doors are on the landing places of the stairway, and every boy or man coming up the stairs may go into the lavatories.

Mr. CHAIRMAN.—Are the lavatories large enough for the buildings there?

Mr. PARE.—I should say yes they are quite sufficient.

Mr. CHAIRMAN.—What do they do with reference to the female employees?

Mr. PARE.—They have separate lavatories.

Mr. CHAIRMAN.—And these I presume are not open to the public—they are closed?

Mr. PARE.—They are closed.

Mr. CHAIRMAN.—It is just the lavatories used by the men?

Mr. PARE.—Yes.

Mr. CHAIRMAN.—It is very repulsive to think of having to use lavatories used by the general public.

Mr. BRITTAIN.—As Mr. Pare has touched on this subject—new lavatories were put in the East Block two years ago. We naturally objected to each closet being used by the public, so we requisitioned the Public Works Department for keys. They

objected at first, on the ground that they were public lavatories, and should not be closed to the public. I stated at the time that I did not think it right that the officials should be subjected or obliged to use these lavatories when every one could use them, and we intended distributing keys of the two lavatories to the staff, and to leave one open to the public, which was done. The keys were received on Friday or Saturday, and the following Monday I found that the handles had been kicked off two of the doors and the locks damaged, so that you could not open the doors. I had to send for a man to come and open them. Some one had evidently shown great displeasure that these lavatories should be locked. I think the lavatories for the staff should be locked, and should not be allowed open to the public.

Mr. LAKE.—Are there watchmen in the buildings night and day?

Mr. BRITTAIN.—I understand the policemen are on night and day, but a man should be detailed to look after the buildings every day if necessary. That is a difficulty we are trying to overcome. There may be some labourers or carpenters or officials who would offend, and we have been trying to get hold of a few cases to make an example, and if necessary a man could be detailed to look after that. It seems to me that if the lavatories are left in good condition at 9 o'clock in the morning they could be kept clean all day.

Mr. CHAIRMAN.—It is quite clear that some portion of the lavatories should be open to the public. Is it not possible to separate a portion that the public could use?

Mr. BRITTAIN.—Not very well. Where large lavatories are constructed they are usually constructed with 4 or 5 compartments, and a basin for the slop water from cleaning, and usually three closets, and one closet right at the door of entrance is open for the public.

Mr. CHAIRMAN.—It is apparent from the number who go up there that something would have to be provided for the public in some way. I quite agree that the staff ought to have their own private lavatories, and no one else should be allowed to use them, but some provision should be made either outside or inside the buildings for the public. There is no reason why accommodation should not be provided outside by having an underground lavatory, such as you will find in cities, for the use of the public.

INSURANCE.

Mr. HIGMAN.—Mr. Chairman, Mr. Watson will deal with the question of insurance.

Mr. WATSON.—Mr. Chairman, there is not very much in this matter of insurance beyond what is in the memorial, but the memorial is a rather bald statement of the case, and it might not be amiss if we were to begin as it were at the beginning of the Civil Service Insurance Act, and it will be convenient for me to take up the third section of the paragraph of the memorial relating to insurance, that is, subsection C.

The Civil Service Insurance Act was introduced concurrently with the Civil Service Superannuation Act, No. 2, in 1893. Prior to 1893 the Civil Service Superannuation Act No. 1 was in force. Under that the contributions were 1¼ per cent and 2 per cent, 1¼ per cent on salaries under $600 and 2 per cent on salaries over $600. Presumably it was felt by the administrators that that scheme was too good a thing for civil servants, and consequently they introduced a measure increasing the contribution to 3 per cent on salaries under $600 and 3½ per cent on salaries over $600.

Mr. CHAIRMAN.—What was the date of that Act?

Mr. WATSON.—In 1893 they increased the contribution. The Act was really not changed, they simply increased the contribution. Concurrently with that they introduced the Civil Service Insurance Act, which was intended I suppose to give an oppor-

tunity for civil servants to provide something for their dependents at a reasonable rate. The premiums charged in the Civil Service Insurance are presumably two-thirds of the rate charged by the old line companies on the same class of insurance. The rate of interest is assumed at 6 per cent, whereas the rate at which companies usually calculate the premiums is not more than 3 per cent, and more than that they attach what is called "loading" for expenses and profits.

Mr. CHAIRMAN.—I understand the allowance of interest at 6 per cent means the credit which is given to the fund by the Government of 6 per cent on the premiums paid in?

Mr. WATSON.—That is exactly it.

Mr. CHAIRMAN.—So that the Government contribution may be said to be the difference between 6 per cent and the ordinary 4 per cent on which the Government borrows its money?

Mr. WATSON.—Yes, they assume that the money is worth 6 per cent to them. However, in calculating those premiums they assume the Healthy Males table of the British Institute of Actuaries, and I think it is almost certain that that mortality is higher than that experienced by the Service, so there will be a considerable offset against the extra interest assumed.

Mr. CHAIRMAN.—Is that actuaries basis the basis on which old line insurance companies reckon mortality?

Mr. WATSON.—At the present time.

Mr. CHAIRMAN.—Yes.

Mr. WATSON.—Some of them do, a good many policies have been issued in that way, but I think most of them have recently changed to newer tables that date thirty years later. There are what are called the British Office tables. The H. M. experience closes at 1869. The British Offices experience was taken up to 1893, and is based on the experience of assured lives in thirty British offices, dated from 1869 to 1893, and I think it has become general with most companies to base their rates on the newer tables.

Mr. CHAIRMAN.—Are those newer tables more generous to the assured than the others?

Mr. WATSON.—They require lower premiums, because the mortality is more favourable, they show lower mortality, and it is very probable that although this scheme has not been in force long enough—rather it has been in force long enough—but for certain other reasons which I shall explain later it would not be possible to ascertain with certainty whether the mortality being experienced is really more favourable than that assumed. That is to say, the experience is not big enough and even if it showed more favourable mortality, we could not assert that it was an actual experience or accidental. It might be accidental. It might be accidentally favourable. In introducing this Act and giving it favourable terms, at least presumably favourable, that depending on the mortality experienced, the government, I suppose, felt that possibly putting up the rate of contribution on those who were contributing to the new superannuation fund and offering this cheap insurance to those under the old fund, that the men contributing to the old superannuation fund would have too good a thing if they took the Civil Service insurance at two-thirds the cost of insurance in old line companies. Then, in order to rectify that, and in a measure make it equitable between contributors to superannuation fund No. 1 and superannuation fund No. 2, a provision was inserted in the Act, to the effect that any one contributing to fund No. 1 and taking out the Civil Service insurance, would be required to contribute an additional one per cent to the superannuation fund, thus placing him approximately on the same footing as those contributing to superannuation fund No. 2. I cannot say whether the idea of this extra contribution was to make the matter equitable or even between the contributors to the two funds, or whether it was intended as a source of revenue.

Mr. CHAIRMAN.—The contributors under superannuation fund No. 2 would be small in number in comparison with those to No. 1.

Mr. WATSON.—I think that is correct. Superannuation fund No. 2 was not in force very long, but, on the other hand, many of those in fund No. 1 have been superannuated. The contributors to No. 1 are still greater in number than the contributors to superannuation fund No. 2.

Mr. CHAIRMAN.—While that increase to percentage which those under fund No. 1 had to make might be said to level them up to those under fund No. 2, how about those civil servants who were not under any fund whatever except the retirement fund?

Mr. WATSON.—At that time there was no retirement fund.

Mr. CHAIRMAN.—What time?

Mr. WATSON.—In 1893 when the amendment to the Civil Service Insurance Act was introduced, all permanent civil servants were contributing to superannuation fund No. 1, and there were no other permanent employees to be considered, except future entrants to the service.

Having stated the facts of the case at the time of the passing of the Act, I should like now to point out how it has worked out. I am not prepared to say whether this provision was intended in order to make the two Acts of legislation equitable as between the two classes of employees, or intended for revenue purposes. That, however, is a matter aside. If it was intended for equality it does not work out that way, for the reason that as soon as an employee had contributed to superannuation fund No. 2 for full 35 years his original contribution of the extra 1 per cent would likewise cease, so it is quite possible he would only pay that extra contribution, say, for one year. And further, if he took a policy for $1,000 he paid the 1 per cent the same as if his policy was for $2,000. Again, it mattered not what his salary was, the extra contribution was on his salary, and had no relation whatever to the premium on the policy. The effect has been to exclude practically every one from the benefits of that insurance, except those who can get it without really paying anything to the treasury except this extra 1 per cent.

Mr. CHAIRMAN.—Who would they be?

Mr. WATSON.—They would be those who had nearly completed their 35 years, or persons who were serving at low salaries, and with not much prospect of ever getting large salaries. The 1 per cent might then still leave the premium on a $2,000 policy low enough, so that they could take advantage of the insurance.

Mr. CHAIRMAN.—The effect of that provision would be that civil servants who are not on any superannuation fund whatever can get their insurance on the very liberal rates which are allowed in the fund to those who were on superannuation fund list No. 1. In addition to the premium which they pay equally with other persons over and above the amount that was intended by the Superannuation Fund Act itself on which they entered, a sort of fine is put on them for having been on the superannuation fund No. 1

Mr. WATSON.—It does not seem fair to us in this way. Granted that the Government with their eyes open made an unfair arrangement with their employees when they introduced Superannuation Act No. 1, although I do not think it was an unfair arrangement, it does not seem fair that when they come to strike another bargain with the civil servants this Government would not be willing to strike a square bargain for that reason, and the fact that it means no revenue whatever to the Government. They do not gain anything by it whatever, or what they gain is negligible.

Mr. CHAIRMAN.—Because the civil servants did not come in.

Mr. WATSON.—Because the civil servants did not come in. So the position of the Government is as if they had bought say a piece of land in Ottawa from a certain man,

and found afterwards that without any fault of his perhaps they had paid too much for that land, then, wanting to buy land in Montreal, they should purchase a piece of land from the man who sold the land in Ottawa, and also an adjoining piece from another man, that they should agree as to the proper market price of the two lots to be purchased in Montreal, but would say to the man from whom they purchased the land in Ottawa, we will pay you less than the market price in Montreal unless you give us a rebate on your profit on the former bargain in Ottawa, and an amount less than we will pay the owner of the other lot alongside of your lot in Montreal. It does not seem fair to us, and I do not think there will be any hard feelings among other civil servants contributing the higher percentages to other funds if these old employees would be allowed to take insurance on the same basis.

When the Act was introduced the maximum insurance was placed at $2,000. There was a reason for that. Life Insurance companies at the start do not issue large policies, the reason being that if a very large policy were issued, and there were not a large number of policies of that class, one death among the policies for large amounts might go a long way to wiping out their surplus; so they try always at the start to have a certain number of small policies before they undertake the issue of large ones, because the probabilities of loss are much minimized by spreading the same amount of insurance over a much larger number of lives. It would appear that the Government might, without any danger whatever to the surplus fund, increase the maximum amount of this insurance to $5,000. There is a large number of employees who would like to take advantage of the benefit at the increased amount, and the number at present is increasing so rapidly that I think there will be no danger of wiping out the surplus by having the maximum amount of insurance increased to $5,000.

One point I wish to take up before dealing with the increasing of the maximum of insurance, but it will do as well now. Under the Act there is no provision for informing civil servants even of the existence of the Act. He has no knowledge of it, unless he finds it out by accident, or through a fellow employee. I venture to say that five years ago there were thousands of civil servants who had never heard of Civil Service insurance. The Act does not require that any notice should be given to employees in the service at the time the Act was passed, or to any new entrants. The result has been that for the first 15 years during which the Act was in force only 283 had become insured, or rather 283 is the number who survived out of those who had been insured during the 15 years. During the last three years 330 have become insured. This is wholly due to the fact that from time to time in the *Civilian* notices and information have been published, which have come to the notice of civil servants throughout Canada. That shows the possibility of that insurance if it were properly brought to the attention of the civil servants themselves, and it would seem quite proper if those charged with the administration of the Act were required, when any person was newly appointed to the Service to mail to him a memorandum setting forth his rights under the Act. Doubtless there are in Ottawa civil servants who do not yet know that there is Civil Service insurance.

Mr. CHAIRMAN.—Is it straight life insurance?

Mr. WATSON.—Straight life insurance.

Mr. CHAIRMAN.—It has no endowment features connected with it?

Mr. WATSON.—No.

Mr. CHAIRMAN.—The policy is payable on death.

Mr. WATSON.—It was considered proper it should be so, in order that it would be for the benefit of the employees' dependents, and there would be an objection also in selling cheap endowment insurance inasmuch as it might be trafficked in by outside speculators, since the rates were cheap.

Mr. CHAIRMAN.—Then although it is straight life insurance it is not necessarily a straight life payment.

Mr. WATSON.—No, the payments may be paid in any way. In one premium or any number of years, and the thing the civil servants like about this insurance is that it is so little trouble. The premium is deducted from the salary each month if so desired.

Mr. CHAIRMAN.—Does it apply to all civil servants?

Mr. WATSON.—It applies to all civil servants on the permanent list.

Mr. CHAIRMAN.—Whether outside or inside?

Mr. WATSON.—On the permanent civil list.

Mr. LAKE.—A man might pay down a certain sum and be insured for life for $2,000.

Mr. WATSON.—By all means, on payment of a single premium.

Mr. CHAIRMAN.—The premiums can be paid monthly or quarterly or any way the insured desires.

Mr. WATSON.—However, if he elects to pay the premium otherwise than monthly it is not deducted from his salary. If it is paid monthly it is taken from his salary each month, and that is the way most of the civil servants do it.

Mr. CHAIRMAN.—If it is paid quarterly he has to arrange to meet it?

Mr. WATSON.—He has to arrange to meet it.

Mr. CHAIRMAN.—Having regard to the occupation of civil servants would they not be an extremely easy risk.

Mr. WATSON.—Generally speaking. That is what I had in mind when I said in the early part of my statement that their mortality would very likely be favourable, and would to a large extent counteract the high rate of interest assumed.

Mr. CHAIRMAN.—If the premiums charged were sufficiently high under all the circumstances, and if the allowance by the Government of interest at 6 per cent on the fund thus created should cause that fund to increase beyond the amount required to meet the demands upon it then although that surplus would stand to the credit of the fund the Government would really have the money in their possession as a part of the public funds of Canada, would they not?

Mr. WATSON.—That forms a part of the consolidated fund, but it is accounted for separately.

Mr. CHAIRMAN.—I mean the money.

Mr. WATSON.—The money is not kept separate, it is not a separate investment.

Mr. CHAIRMAN.—And the money is being used by the Dominion of Canada.

Mr. BRITTAIN.—Part of the consolidated fund.

Mr. WATSON.—But they are charged up each year with the liability under the Act.

Mr. CHAIRMAN.—The point I wanted to make is this, that assuming in the first place the mortality of the service to be light, and having regard in the second place to the fact that the cost of management is small, and the overhead charges are not large, the fund might be self-sustaining, and adding to it interest at the rate of 6 p.c. might accumulate a large surplus.

Mr. WATSON.—It undoubtedly would if the mortality was more favourable than that assumed. Assuming that 6 p.c. was added to the fund each year, and if it so happened that the mortality was more favourable than that assumed in the calculation of premiums there would undoubtedly be eventually accumulated a large surplus.

Mr. CHAIRMAN.—If the rates are high enough under all the circumstances to make the operation at least meet its own obligations the high rate of interest that the Government are allowing is a seeming liberalitp rather than a real one.

Mr. WATSON.—Part of it is, very little of it is seeming liberality.

Mr. CHAIRMAN.—Because the surplus remains in the hands of the Government of Canada as part of the consolidated fund to be used by Canada as she wishes.

Mr. WATSON.—On the other hand that fund is a liability.

Mr. CHAIRMAN.—But it is a liability which is never implemented in fact, unless the fund fails through other sources to pay its obligations. The fund from time to time is a liability. It is a liability to pay the surplus, and none of the insured have any claim on the surplus.

Mr. WATSON.—No, they have no claim on the profits, they simply get the amount for which they are insured.

Mr. CHAIRMAN.—There is no surplus profits to be divided amongst the insured as in line companies frequently.

Mr. WATSON.—No, the contract is simply for an amount payable at death.

Mr. CHAIRMAN.—Consequently the Government's liability for the surplus is a paper liability outside of the actual claims for insurance under the policies.

Mr. WATSON.—They are liable for nothing except the sum assured at death. The Government are liable only for the sum payable at death. They calculate the premiums according to the schedule, and add interest each year at the rate of 6 p.c. If the mortality should turn out to be more favourable than they assumed in the calculation of premiums, the rate of interest added each year would be higher than that actually necessary in order to provide for the sum assured at death. That is a fair statement of the case.

Mr. CHAIRMAN.—And thus that surplus would be piling up in the hands of the Government for the fund, but the surplus would belong to the Government itself.

Mr. WATSON.—The surplus would belong to the Government.

Mr. CHAIRMAN.—Are you in the insurance department?

Mr. WATSON.—Yes, sir.

Mr. CHAIRMAN.—That is one of the offices of the Finance Department?

Mr. WATSON.—It is not now. It was formerly a branch of the Finance Department, but under the Insurance Act of 1909, it was made a separate department under the Finance Minister.

Mr. CHAIRMAN.—Do you report to the Finance Minister through the Deputy Minister of Finance?

Mr. WATSON.—Oh, no, through the superintendent of insurance.

Mr. CHAIRMAN.—Who is the head of the Insurance Department?

Mr. WATSON.—Mr. Fitzgerald, the superintendent of insurance.

Mr. CHAIRMAN.—How large a staff is there in the office?

Mr. WATSON.—The staff has increased very rapidly in the last few years. I think there are 16.

Mr. CHAIRMAN.—That insurance department does not exist merely for the purpose of this civil service insurance?

Mr. WATSON.—Oh no, this is really a side issue altogether, it exists for the supervision of insurance companies.

Mr. CHAIRMAN.—Are there any clerks in the branch who are occupied entirely of this Civil Service insurance.

Mr. WATSON.—No, it does not take the whole time of one man, it only takes a small portion of time.

Mr. CHAIR. .AN.—So the amount of cost imposed on the Civil Service by the work necessary to manage the fund is comparatively nothing.

Mr. WATSON.—The whole expenses of the Insurance Department are paid by the insurance companies.

Mr. CHAIRMAN.—Paid by the insurance companies?

Mr. WATSON.—The levy on the companies.

Mr. CHAIRMAN.—Could the insurance under the Civil Service Insurance Act be very largely increased without any additional cost?

Mr. WATSON.—It ought not to mean a great additional cost, I do not think it ought to.

Mr. CHAIRMAN.—The only additional cost in operating the fund would be an increase of the clerical staff in the department.

Mr. WATSON.—Very true, that is all. I think it would take a lot of Civil Service insurance to make the work sufficient to occupy the full time of one clerk.

But there is one other point. The Civil Service insurance, as I said, was primarily intended for the protection of the dependents of employees. The Act specifically states that the contract must be made out for the benefit of a man's wife or his children, or his wife and children, or if he is not married, it must be made out for his future wife and children. However, if he has no beneficiaries under the Act at death, the amount is paid to his estate. For that reason it has been determined that this insurance is a privilege that female employees should not enjoy, as in the natural course they have no dependents. There are, however, a few widows in the service who have children, and in a few cases they have taken policies, but there are others in a different situation who have dependents on them also; there are girls in the service who are supporting or contributing very largely to the support of their parents, possibly their mothers, and in the event of their death it would impose considerable hardship on their parents, and it would seem no more than right that they should be given this opportunity of providing for their parents.

Mr. CHAIRMAN.—Does the Act in express words say that females shall not be entitled to this insurance?

Mr. WATSON.—No, the Act states that the benefit must be for the wife and children of the employees. In the natural course of events female employees do not have wives.

Mr. CHAIRMAN.—No, but they have childen.

Mr. WATSON.—Not unless they leave the service. Most female employees are not married. There are a few cases of widows with children having been granted the benefit. But if a girl is in the service for some years she may not have any intention of marrying, but she may later on get married, and then she may wish that she had insured her life, or been allowed to insure her life, in the past.

Mr. CHAIRMAN.—You mean that under the interpretation put upon it at present no female is allowed to insure.

Mr. WATSON.—Not in that case. It would only be in exceptional cases, where she had dependents within the meaning of the Act.

Mr. CHAIRMAN.—While such a precaution might be permitted if this privilege of insurance were a burden upon the country, there seems to be no reason whatever for such a provision as you have spoken of if the civil servants are paying for their own insurance.

Mr. WATSON.—That is, in the case of female employees.

Mr. CHAIRMAN.—I cannot see why any preference or restriction should be put upon any class of servants for insurance if they are really paying sufficient premiums for the insurance.

Mr. WATSON.—They are only sufficient on account of the high rate of interest which is assumed by the Government.

Mr. CHAIRMAN.—Supposing that the whole rate of 6 p.c. is necessary to keep the fund up. But if a rate of 4 p.c. would be sufficient to keep the fund up then the Government would not be paying any more for the money than they ought to pay.

Mr. WATSON.—Very true.

Mr. CHAIRMAN.—Would it be possible to tell by examination of the figures of insurance companies whether the whole rate of 6 p.c. would seem to be necessary for sustaining the fund even on the basis that the mortality in the Service was an average mortality.

Mr. WATSON.—I do not understand the question.

Mr. CHAIRMAN.—I take it that by looking at the reports of an insurance company you could arrive at a knowledge of the proportion which its costs of running would bear to its expediture. and you would be able to say what lower of premiums such a company could have asked and could get along with if it did not have these heavy costs to pay.

Mr. WATSON.—It would be a very big problem—practically impossible.

Mr. CHAIRMAN.—What I meant to say was this—Take a good company which is charging premiums upon the fixed rates of line companies. A certain proportion of its revenue is, I presume, spent in overhead charges, such as salaries and payments to agents, &c. I was wondering if you could by calculating those in the case of a good company ascertain how much that company could have afforded to cut down its premiums.

Mr. WATSON.—If it has no expenses?

Mr. CHAIRMAN.—If it had no expenses.

Mr. WATSON.—You could do much better than examining any one individual company. The rates of mortality I was speaking of some time ago assumed by the Institute of Actuaries, based on the experiences of the British Companies would be a much better basis to go on than the experience of any one company, and if we agree that money is worth 4 p.c. to the Government (it costs them about that usually) all that would be necessary to do would be simply to calculate the net premiums according to this basis of mortality at 4 p.c.

Mr. CHAIRMAN.—Will you oblige us by furnishing some figures from which we can gather what proportion of the interest of 6 p.c. allowed by the Act is really necessary to keep up the insurance fund if the figures are based upon such a mortality as you would expect to have in a Service of this kind.

Mr. WATSON.—I shall endeavour to do so.

I would like to make more clear what I said with regard to female employees. I think the cases in which we are particularly interested are those female employees who have real dependents. We are not concerned about the young girl who intends to stay in the service a year or two and then get married, but those civil servants who have really dependents on them, although not coming within the meaning of the Act. We feel that these women should be accorded the same privilege.

Mr. CHAIRMAN.—Could you provide such a definition as would cover that?

Mr. WATSON.—It might be defined as parents, and possibly a girl would have a sister unable to work. Possibly it could be left in the discretion of the administrators.

Mr. CHAIRMAN.—Or a female clerk might have a sick husband?

Mr. WATSON.—Yes, and children also.

Mr. CHAIRMAN.—I presume if she had a husband who was not sick she would not be in the Service, and consequently you would be safe enough to say husband.

Mr. WATSON.—There would be exceptions perhaps not in Ottawa, but throughout the country, where you will find married women in post offices, and their husbands

doing something else. I do not see why they should not be insured. We would not object to them.

Mr. CHAIRMAN.—Why are the permanent officers of the Militia staff debarred.

Mr. WATSON.—They are debarred on account of the ruling of the Justice Department on the interpretation of the Act, that the Act does not apply to them.

Mr. CHAIRMAN.—Not on any basis of argument, but of interpretation.

Mr. WATSON.—Interpretation of the Act.

Mr. CHAIRMAN.—This disability which is placed on the men who come under the old superannuation Act apparently has nothing whatever to do with the insurance.

Mr. WATSON.—No, it was imposed for one of two reasons. Whether to get revenue, or to make things appear even between the two classes. I suppose it was thought at the time that there would be a great run on Civil Service insurance, it being much cheaper than outside insurance, but from 1893 down to 1908 there were not perhaps 300 who became insured under this Act.

Mr. CHAIRMAN.—Would this be possible that with regard to policies of a certain size interest on premiums for these policies should be allowed at say 4 p.c. instead of 6 p.c.

Mr. WATSON.—Oh, yes, it would be quite possible. We would prefer the other though.

Mr. CHAIRMAN.—Of course you would, but suppose that the objection was made that up to a certain limited amount the country would contribute, but with regard to larger amounts, while the country would not contribute, it would give those insured all the advantages of low cost, and would therefore expect them to pay premiums a little larger than the others upon which the fund should receive from the government a credit of 4%. Then a man might get insurance up to a certain amount at one rate, and up to a larger amount at another rate, but still much lower than the rate of an ordinary line company.

Mr. WATSON.—There is no objection to that.

Mr. CHAIRMAN.—That could be worked out.

Mr. WATSON.—There is nothing objectionable in that whatever.

Mr. CHAIRMAN.—It seems to me that would be no hardship to the company, and it might be a great benefit to the individual. It might appeal to a large number of civil servants when the other would not. I mention this because there might be objections in parliament. There are always people objecting that the civil servants are well paid and lazy, and these people would be willing to say, if it does not cost anything we will do it.

Mr. WATSON.—That is something we should be careful about, anything that we ask for should be reasonable.

Mr. CHAIRMAN.—How are the rates per thousand fixed, by what authority?

Mr. WATSON.—In the Civil Service insurance?

Mr. CHAIRMAN.—Yes.

Mr. WATSON.—By the Act itself. It is stated that the rates of premiums must be calculated according to the H.M. tables, with interest at 6 per cent. Subsection 2 of section 12 provides that, and furthermore that no allowance shall be made for expenses.

Mr. CHAIRMAN.—Does that latter part mean that no charge shall be made against the insured in his premium for any expenses in operating the fund?

Mr. WATSON.—Yes, that is what it means.

Mr. CHAIRMAN.—In taking insurance in ordinary insurance companies, do the insured pay premiums based on the tables referred to in the Act?

Mr. WATSON.—Yes, but to the rates fixed by these tables the companies add the amounts necessary to pay for expenses, and profits, &c. But nowadays the H.M. Table is less used than formerly.

Mr. CHAIRMAN.—And what table is used?

Mr. WATSON.—The British Offices is most common, although others are used.

Mr. CHAIRMAN.—Will you kindly prepare for us a comparative table to show what the premiums would be if only 4% were allowed instead of 6% as under the Act.

Mr. WATSON.—Yes, but if you have no objection I will base them on the British Offices Mortality Tables select.

Mr. LAKE.—If the allowance of 4% instead of 6% would make the premium very much higher, and if it could be found that 6% was self-supporting there could be no possible objection to the request which has been made in the memorial being granted.

Mr. WATSON.—Even although it could be proven that the government were doing the Civil Service insurance at an apparent loss it does not mean that it is really a disadvantage to the government to continue doing the business or to increase the volume thereof. The insurance is done solely among their own employees, and it is appreciated by them, and stands on the same basis in certain respects as does superannuation, although in a very limited way, and the benefits come back to the government indirectly.

Mr. CHAIRMAN.—In what manner?

Mr. WATSON.—Well, in the manner that it is a help in retaining good employees. They appreciate this cheap insurance, and I think possibly it makes them more loyal to the Service. Of course it is to a much more limited extent than the benefits arising to the government from a scheme of superannuation.

Mr. LAKE.—In a sense it induces the assured to be more provident.

Mr. WATSON.—It is very important that all those questions in relation to the Civil Service should be considered together. Most people look at each question by itself, and we are not likely to arrive at any satisfactory solution of these questions so long as we regard each individual question by itself.

Mr. CHAIRMAN.—How would a very large increase to the amount of insurance affect the risk to the fund?

Mr. WATSON.—It would reduce the risk.

Mr. CHAIRMAN.—So that by increasing the amount of insurance which may be taken by each civil servant, and by allowing employees who are now debarred from coming in to participate, thus increasing the number of insured persons, you would decrease the risk to the fund?

Mr. WATSON.—Yes, as you increase the number of persons insured, the liability for fluctuations from the true mortality decreases. You also decrease your chances for profits. The more you increase the number insured, the more likely you are to follow the average. If you only have a few policy-holders you may have no deaths, or you may have a few deaths, and they mean a great deal, a big proportion of the total number, but with large numbers you strike the actual mean.

Mr. CHAIRMAN.—The actual mean of experience as shown by table.

Mr. WATSON.—Exactly.

Mr. CHAIRMAN.—And you reduce the whole scheme then to a more certain basis.

Mr. WATSON.—You reduce the whole scheme to a more certain basis, and reduce the liability for excess mortality claims.

Mr. CHAIRMAN.—I would like to put on record and draw your attention to it, that inasmuch as any proposition which comes before parliament is liable to be very closely criticised it is in the highest degree important to the Civil Service that everything that can be said upon the subject should be frankly and fully said, and that any objection that can be raised should be considered and discussed by you, because if you fail to recognize some objection that might be latent in your own mind as coming from other people, and did not grapple with it now it might be raised later on and you could not answer it.

Mr. WATSON.—I have been trying to look at the question from both sides. It may be possible that in going over a matter of this kind one gets a little mixed up, and possibly misunderstands what some one else is thinking about, and it is possible the replies made may not appear the same in a few months as they do now.

Mr. CHAIRMAN.—From your experience with insurance, can you think of any objection which might fairly and properly be made against the proposition which your memorial advances.

Mr. WATSON.—No, sir.

The deputation withdrew.

The Commission adjourned.

CIVIL SERVICE FEDERATION.

OTTAWA, Tuesday, March 5, 1912.

PRESENT:

Honourable A. B. MORINE, K.C.,
Chairman.

G. N. DUCHARME, Esq.,
R. S. LAKE, Esq.,
Commissioners.

The Commission was waited on by a deputation of the Civil Service Federation, composed as follows:—

President, Dr. J. A. Smith, Collector of Customs, Windsor, Ont.; Vice-President, G. A. Carpenter, Post Office Department, Montreal, Que.; Secretary Treasurer, R. H. Coats, Labour Department, Ottawa, Ont.; J. W. Hoyt, Collector of Customs, McAdam Junction, N.B.; A. E. Giroux, Customs Service, Montreal; J. Z. Corbeil, Customs Service, Montreal; A. M. Latouche, Customs Service, Montreal; Dr. J. D. Page, Immigration Service, Quebec; W. Gilchrist, Immigration Service, Ottawa; W. F. Miller, Collector of Inland Revenue, Hamilton, Ont.; M. Thompson, Customs Service, Windsor, Ont.; R. Patching, Interior Department, Ottawa; A. D. Watson, Insurance Department, Ottawa; O. Higman, Inland Revenue Department, Ottawa, President of the Civil Service Association.

The CHAIRMAN.—Well, Mr. President, we are prepared to hear you, sir.

DR. SMITH (President of the Civil Service Confederation),—Mr. Chairman and associates. I am here this morning to address you on what is known as the Civil Service Confederation, constituted of the Inside Service at Ottawa and the Outside Service throughout the Dominion. We are here to discuss with you the different

branches of the service, and presently I will call upon a number of my associates who will take up in detail with you the special subjects. It is my intention merely to open the conference and in doing so I want to express my pleasure at the appointment of the new Commission and to say that the Civil Service throughout the country are delighted at the appointment of this Commission, because we feel now that we will have an intermediary through which to lay our complaints regarding our troubles which many of us think are numerous. We hope the Commission will be patient with us, and if they are patient we know that we will receive at their hands justice in the fullest degree. Heretofore we have had difficulty in getting our cases before the ministers, as we did not like to bother the ministers too much because we know they are busy, busy men, and we knew they had no time to pay attention to our affairs, anyway not as much time as you, gentlemen will have whose time will be entirely devoted in the direction of our affairs and other affairs in connection with the public service. I desire first of all to express our confidence that matters will be dealt with fairly and as they should be.

We are coming to discuss with you this morning the extension of the Civil Service Act of 1908, which brings us under the Commission, also the salaries, and the superannuation, and insurance. These will be the topics on which we will be pleased to talk to you this morning. It will not be necessary for me to occupy your time at any greater length at the present moment, but I will be pleased to furnish any information that we may have in our possession and which the Commission may wish to know or feel disposed to use. I will now call upon Mr. Watson, to take up the question of superannuation. He has given a good deal of study and time and attention to that subject, and I will call upon him to discuss that with you.

SUPERANNUATION.

Mr. WATSON,—Mr. Chairman and Gentlemen of the Commission:—

We have been accustomed to think of superannuation as being a great problem in the Service. Sometimes we have been accustomed to refer to it as a great big problem in comparison with our other problems, and I should like for a little time this morning to show that the magnitude of this problem has been greatly reduced within the past few years. The reduction has taken place owing to the great advances made in actuarial science and also the collection of an immense amount of data. Along with other problems this one has been reduced, and although it may look and appear quite as large to the layman as it formerly was, still it is by no means the big problem it used to be. This is an important point for us to make, for the reason that the government have always felt it to be a big problem, when the Association or Federation have approached the government they have been disposed to shrug their shoulders at the magnitude of this problem.

I do not know that it is necessary to advance any arguments substantiating the principle of superannuation, it is now so generally admitted. There is however, this one argument and possibly this only one argument that may at any time be advanced, and that is the economical argument. It is also defended on the ground of what may be called philanthrophy, and however important, I do not think that is an argument that could be very well enforced, although it may have its place, but the economic argument is one that may be used at all times, and to us the economic argument means a great deal. For economy is not always what it seems to be. For instance, every one is agreed that it is bad economy to feed a horse too low, or to buy a suit of clothes which are poor, or to buy a bad pair of boots, but those are simple things. It might escape one when he would come to deal with a thing like superannuation, or any complex problem such as that is, and it would probably help us to the proper understanding of it to know that the Tariff Commission in the United States have proved to their own satisfaction and to the satisfaction of others too, that increase in wages does not necessarily increase the

cost of production. That this is a thing that I should very much like to impress upon every one here namely, that economy may not be what it seems, but that what may seem to be extravagance may really be the opposite. By increasing the wages the employer has at his hand a higher skilled labour, also the fact that the wages have to be increased draws the attention of himself and his men to the importance of machinery, and on the whole it undoubtedly decreases the cost of production.

Supperannuation in its influence on the service is a very much more complex power than the increase of wages or the cost of production. There is not to-day perhaps any opposition whatever hardly to superannuation. I think the only opposition that does arise arises from two causes; one from lack of information as to the actual facts of the case, and the other from a too close reasoning on theoretical principles. So far as opposition is based on lack of knowledge, on what we may call ignorance, we may ignore it, but the other argument that is sometimes advanced is unfortunate in relation to civil servants. These people say that the civil servants are well paid, and have a good time, and why can't they provide for their old age themselves. That argument is all very well theoretically, but the country is faced with this problem, that in old age the civil servants will simply be retained on the pay-list if they simply can at all get to their work. That is a practical problem, and make what legislation you will, these people will be retained on the pay-list, and it has been proven that the Civil Service Act will be ignored, because hardships will be created and other reasons set forth. It would not be best to state particular examples of which we have had experience and they are not always a true test of what will happen with superannuation, and because we have here superannuation for old employees and the conditions have not developed.

But in the United States they have had no superannuation whatever, and for about five years they have had a gentleman Mr. Brown, working on the superannuation scheme. He has issued some valuable reports, and in one of these reports he says: "Pitiful cases of old employees who go to offices long after their days of usefulness have past are numerous and well known, for one out of every fourteen Government employees in the City of Washington is over 65 years of age. Many of them are past 80, and nonogenarians have occasionally been on the government pay roll. Paralytics are sometimes brought to offices in wheel chairs and it frequently happens that a wife or child supports the head of the house to his desk." Now it will be objected that such conditions do not exist in Canada. That is true but it is possible that when no superannuation is in existence for some time that such conditions may exist particularly as I noticed that in the recent discussion in parliament the Honourable Minister of Public Works for Canada is quoted as saying:— "I have never dismissed anybody for old age. I will have to see what can be done about it." And the paper goes on to remark that the problem confronting the minister would appear to be a difficult one. I say that it is a very difficult one indeed, and in case no superannuation is in force in Canada it will happen that such difficult problems will have to be faced by the minister again and again.

Now the quotation I have made from the United States report shows the condition that will arise when superannuation is not in force, and I do not think we need go beyond that, although there are many other ways in which superannuation will affect economy. But it is scarcely necessary to go beyond that.

The CHAIRMAN.—In what you have just said you would seem to imply that we have superannuation here. I presume that you mean that the old employees are under the old superannuation Act which was repealed in 1898?

Mr. WATSON.—Yes, that is the case. Now I want to say that I believe the opposition to superannuation is decreasing and will continue to decrease, and I think one of the main factors in that is the change in the system of appointments to the Civil Service. So long as the system of appointments is of such a character as to shut out any class from the Civil Service or to make their chances of appointment doubtful I do not think there would be any opposition. But with the competitive

system of entrance to the Service I do not think the people of the country will be opposed to superannuation, in fact I think they will welcome it. I think they would be glad to see a liberal allowance for old age for which their sons and daughters might compete, and knowing also that by reason of these conditions the work of the country was being administered more economically.

Now if we look also at the other question of appointments to the service. We have it from more than one of the Civil Service Commissioners, a report to the effect that they find it difficult to get a sufficient number of well trained men to take the Civil Service examinations at the salaries offered. Now whether these salaries are sufficient or not is a matter apart, but we may rest assured we will be able to get a better class of men at lower salaries provided it is brought to their attention that a liberal provision is made for them throughout life during the time when they may perhaps become disabled and when they attain a reasonable old age, they will be taken care of.

I should like it very much if at this point we could feel that in the administration of the affairs of this country it is actually cheaper in money and in the economy of efficient administration to have a system of superannuation. If we could feel that and feel satisfied that the government by putting in force the well devised scheme, for I think it is generally agreed that the administration of the affairs of the country can be done more economically and more efficiently, and that the government will actually save money by a well devised scheme of superannuation.

Now there are schemes and schemes of superannuation. There are practically only two countries in the world without one, only one large country, and that is the United States. And practically every railroad in England and continental countries have their systems. But in the United States and in Canada we have none.

Now all these systems that are in force have certain characteristics that are more or less common but it is doubtful if there is any system that is wholly satisfactory, even in the country in which it is in force. Even in the railway parts, about two years ago in a departmental committee which made investigation into the railway schemes in England, and although there were a great may good points in those schemes, there were divisions on a great many points of importance, raising them and bringing them to the attention of parliament, but I think we can look with very little hope to any existing schemes. That is, we cannot go to work and bring in a scheme that has been in force somewhere else say in New Zealand, or some far off country, where we do not know its faults, and use it here with advantage. In order to get a satisfactory scheme here we have to get in the main satisfactory scientific principles, and apply them practically. We have to study the question here at home and see what our needs are, and in studying the question we must hold as closely as possible to scientific principles. And in that way adopt what is best to our needs.

And now there are general principles that in any scheme we could devise I think we should not lose sight of. First, any provision, any detailed scheme, should stand this test: Is it in the interest of efficiency and economy? That is the ideal that we should strive for. I am not sure that in every case we could show that certainly in practice we can. But that is what we should aim at. Another thing is that the greatest amount of individual freedom of the employee consistent with the economy of administration. Again the scheme should be of such a nature that it cannot be worked. I mean worked in the bad sense, so that neither the employee or the government can work the scheme to the disadvantage of the country. And also arbitrary provisions should be eliminated from the scheme as much as possible. If arbitrary provisions are introduced, and perhaps I had better explain what I mean by arbitrary provisions. In certain schemes you will see enforced a provision to the effect that if a man is disabled before he is 25 years in the employ of the government he gets no allowance, or a very small allowance. It is a little hard to understand why a man who falls out just under 25 years gets practically nothing and a man who has just

served 25 years gets a liberal allowance. Practically every scheme in force has a number of very peculiar arbitrary provisions, and usually this provision works to the disadvantage of the fund, for the reason that the employees who fall into ill health near the 25 years, if that is the period of service, will manage to stay in the Service until they have made it up, even if they have to be carried to the office in chairs. So you see that these arbitrary provisions do work against the fund and they should not be introduced unless for a principle, that being an economic principle.

With these few general principles, and they are very general, I should like if I may, to go a little more into particulars, and afterwards to lapse into details, the extent on which I go into details depending of course on your desire to hear details.

However, before that probably there is another point that I would like to make which is this. In placing a scheme of superannuation on the Statute Books, we as Canadians, and perhaps more particularly as civil servants, would like to see a piece of legislation placed there so very satisfactory that there would be no call at any future time to have it revised if such a thing were possible. It is unsatisfactory to have to go back to a piece of legislation and have to revise it and if possible it would be well if we could devise a scheme so satisfactory both to the employees and the government a scheme that would work so simply that it would require no revision.

There is another principle which I also forgot to mention, which is that the scheme should be of such a character that if at any time a revision were contemplated, it would be very easy to calculate the rights of each individual under that scheme, so that his rights under any new scheme could also be determined with a fair amount of accuracy. With most of the schemes which are now in force that is impossible, a man's rights are so ill defined that they could not be determined properly in making a division and bringing him under a new scheme of superannuation. Now, keeping these general principles in mind, there is one very important thing that should be adopted in any superannuation scheme, and that is that a fund should be established. I think there is no more important feature of superannuation than that, a fund should be established in which the liability is recognized from year to year. If this is not the case, one of the great objections to arise is that the superannuation charge, that is the annual appropriation, will get so very large that at some time the government will be in a little difficulty to make up its Budget, and will look about to see ways in which it can reduce the amounts of the expenditure and will simply sweep away the superannuation scheme altogether. If there is a fund into which contributions are made and out of which the benefits are paid, the contribution from revenue each year is so moderate that that danger would disappear.

The CHAIRMAN.—You mean the public contribution would be so moderate?

Mr. WATSON.—Yes, and there is another point, and that is that if we get matter established and the contribution of the employees is put back into consolidated revenue it remains absolutely the same as if no contribution were made, because afterwards the appropriation is looked upon as consolidated revenue. Last year about $400,000 were appropriated for superannuation payments to employees under the old fund in Canada. That is probably about four or five times the amount that would be necessary if appropriated years ago, and it is this heavy charge which would eventually in a service such as we have in Canada, if we adopt a fairly liberal scheme, endanger the life of the scheme for the reasons I have just stated. The eventual charge, when the service will become stationary, will probably amount to 35 per cent of the salary payments. Whereas, in a fairly liberal scheme, if the contributions were put into a fund, the annual contribution of the government would probably be about 10 or 12 per cent depending upon the features of the scheme. That makes the scheme very much less objectionable, because the annual charge never becomes a very large percentage of the salary payment, and they would not at any time see any great benefit to themselves by sweeping it away

Now then, under any scheme of superannuation there must be benefits, a not less important matter of course than the contributions. There are superannuation schemes in force where there are no contributions on the part of the employee, that is no visible contribution, but nevertheless the contribution really comes from the same place, and it is right that it should. It is a little hard perhaps to see the thing clearly when you are thinking of the government. The government of the country, whose source of revenue is a little more indefinite than that of a railway company does not tend to make it appear so clearly that the contribution really comes from the employees. But take the case of a railway company. Where else should the money which pays the men during their active life and sustains them during their old age, where should it come from but from the product of the road. If it does not, something must be wrong. These men receive pay from the ages of 20 to about 65, and the amount necessary to keep them during their old age must be produced by themselves during the period when they are between the ages of 20 to 65, and it makes no difference whether a part of that is retained by the company and paid to them in old age or the whole amount is paid during their active service and they are allowed to take care of themselves in old age. That is, theoretically, it makes no difference. It does make a difference in practice, because if they had no scheme of superannuation they would stay on too long, and this will be allowed, because the sympathy of the shareholders and officials of the road is always with the man who has served the company for a long time, and they will hesitate very much to discharge him.

The CHAIRMAN.—You mean to say that in that case the only difference is that a great deal more comes out of the railway eventually than it would if they had a well devised scheme of superannuation, because the employee having used up all his earnings as he received them, will remain on, and will simply be a charge upon the railway.

Mr. WATSON.—I think that is the correct conclusion to come to.

Now if I may deal with the way in which these contributions may be determined, and endeavour to see which will be the best way. Superannuation schemes, have as a matter of fact, been inherited from the dark ages. They originated largely in connection with the army and navy, and were contemplated as being for a different purpose altogether than the one for which we are considering it now. The reason I say that is that men who are in the navy and army are really state property. The money they get is only part of the money intended to be used by them to buy whisky and tobacco with, their time of usefulness is over, they are of little use to any one else. In debating schemes for civic employees and railway employees they were guided very much by what was done for the army and navy, and a bad feature has been reproduced long after we might have done better, for the reason that many times, perhaps it may be always, superannuation, as also fraternal schemes, are devised by men who know little or nothing about what they are doing. Some arbitrary provisions are put down without seeing whether they are workable at all. Frequently the contribution has been 1½, 2, 3, 4, 5, and 6 per cent of the salary payment, and sometimes you will see in addition to that that the employer or government is to furnish as much more, without ever taking account whether this contribution is sufficient or not.

Now on the start it would be well to discover what principles are to govern us in the contributions. It seems to me we might fix as a maximum that no individual should pay for a greater benefit than he gets himself. That should be placed as the maximum for the reason that we have a large and increasing proportion of female employees in the service, and a large number of men who never marry. It does seem wrong that these employees should be called upon to contribute anything more than what they themselves enjoy. That is, they are contributing on such basis that their contributions would provide for benefits to those who become disabled before the retiring age and after that age. I would put that as a maximum. Looking at it from another point of view it also seems proper that any individuals

such as I have mentioned, that is female employees and male employees who do not marry, it seems to me that the very lowest we could expect from those employees is that they should contribute the full amount for their own benefit. That is, as a minimum, because if an individual during his active life is not able to earn money enough to provide himself with food and clothing and provide for his old age I would like to know where it is coming from. So we come to the conclusion that that must be the contribution. The individual ought, properly speaking, contribute for what he gets himself individually, exclusive of the benefits that his wife and children will get.

If we can agree with that it simply amounts to this, that the charge on the government for its contribution would be merely to provide the benefits for the wives, widows, and children of employees who are either disabled before the age of retirement, or who reach that age and retire, the rest being apparently contributed by the employee himself, I say apparently because the whole contribution comes from the same source anyway.

Mr. DUCHARME.—Do I understand you to say that the superannuation should be limited to the man only, not taking into consideration the wife and children, and letting the government provide for them.

The CHAIRMAN.—No, Mr. Ducharme, he means that as a basis of calculation.

Mr. WATSON.—What I mean is this: Take the men who are unmarried, we will assume they are all unmarried, and charge each a contribution sufficient to provide for himself individually.

Mr. DUCHARME.—And let the government provide for the wife and the children?

Mr. WATSON.—Yes, that is the basis which I think is a sound basis to go on, and it enables one to make calculations with a certain amount of precision in determining the amount of a man's interest in the fund. Suppose an amendment should be contemplated at any time, it places us in a position to determine what a man's interest in the fund amounts to.

Now we come to benefits. They have been in the past determined almost as unscientifically as contributions, in fact the method on which they are determined has largely made it impossible to determine the contribution with any precision at all. The benefit has usually been determined on a certain percentage of the salary at the time of retirement, or else of the average salary at three years, or five years, or seven years, and sometimes the average salary throughout life. There is another system which has been in use but which we need not bother about here, which is practically the same as our retirement fund.

All these systems, although they have certain merits in themselves, have also demerits. The trouble with them is that employees become a little bit dissatisfied, especially when the contribution is a flat rate contribution of say five per cent. They become dissatisfied because they soon see—if we take a case like our messengers for instance, who enter at low salaries and soon attain the maximum, these employees will be contributing far more than the benefit which they will get, in fact more than the benefit that they and their families will get, whereas the employees who will enter at the reasonable salary and a bright young man who might enter as a clerk and come out as a deputy minister, might contribute only one-fifth of the benefit he would receive. These systems all cause dissatisfaction, but the benefit based on the final salary system is perhaps the worst. The average salary system is an improvement, but there are defects in that also, inasmuch as two men if they have the same average salary, but it may be made up of various different salary payments.

Now there is one other system which seems to be free from these objections. I have no name by which to call the system, but I think I can make clear what I mean. When an employee enters the Service or enters a service of any kind we will suppose his salary is $500. If that salary is never increased you will see that it is an easy matter to determine correctly what his benefit would be in case of disablement or when he

attains the age of 65 years, it is precisely the same as life insurance, and you can figure out on both principles exactly what it will cost.

Now, if we say to this man, on that salary you are getting now we will give you one and a half or two per cent for each year you serve, you know beforehand what he will get and can calculate with a certain amount of precision the premium he ought to pay. Well, he gets an increase in salary the next year. You treat that the same as a new salary and charge him a premium on the increase, necessary to provide the benefit to himself, and go on that way from year to year, and to the old contribution simply add the new contribution for the increase of salary. Under that system if the premiums are right he contributes just what he gets himself, and he gets all he does originally contribute. Now these three principles are important to find out the method of determining the contribution and the benefits.

With regard to the extent to which a scheme should apply there may be a disposition to exclude certain classes of work, perhaps manual labour, perhaps persons of the type of people who look after the buildings, and all that sort of thing. It seems to me that the principle on which the scope of superannuation is determined is simply this: If a class of employment where the employee is likely to be retained on the pay-list after his usefulness has decreased. If that is the case he ought to be put on the superannuation list so that when his capacity is reduced there will be a means of getting clear of him. That should be the touchstone, it does not matter what kind of intelligence he possesses or brings to his work, but if the nature of the employment is such that he is likely to be retained there after his usefulness has passed he ought to be put in the scheme of superannuation. It should go further than that, because there are certain classes of employment where the very nature of the employment dumps men out when their capacity has decreased. Take railway mail clerks, for instance, they cannot do their work unless right up to the scratch. And as a minimum test, if these people are liable to be retained after their usefulness has decreased, superannuation should really be extended to them. And that really means that all employees who in any sense of the word are permanent, unless it is the most casual labourer, should be brought under the fund.

It has been found in the working of schemes of superannuation that an age limit is almost absolutely necessary. Without it you might just as well not have a superannuation scheme at all. It is in old age that the amount of disability increases, particularly around 65. After 60 it increases very rapidly, and in looking through a large number of schemes I find that 65 is the age that has the preference. Some go to 70, and some are as low as 60, and in fact I think in one scheme 55 is put as the age for female employees. However, it is certain that there should be an age limit, otherwise a man who is fairly healthy, even if he is not able to do good work, and perhaps has become quite dull during this previous 30 or 40 years, still his associates are there, and the natural tendency is to stay there as long as he can, so it will certainly nullify any scheme however well devised unless there is an age limit. I think there ought to be a year or two or perhaps three in which the Governor General in Council could retain a man if necessary, because an individual might be engaged on a special piece of work, or the exigiences of state might require him, but only under such circumstances.

With regard to a voluntary requirement, very frequently arbitrary provisions are entered there. As I said before I think the greatest amount of individual freedom should be given to the employee so long as he is not allowed to exercise an option against the government, and as it were do the government. In the matter of voluntary retirement I think he should be allowed to retire voluntarily at any time, but the proper thing to do is to restrict the benefit. I do not say that he should get no benefit, but I think his benefit should be limited, and that a scheme such as I have been suggesting, where the contributions are determined in that way, with such a scheme it is an easy matter to determine what the benefits are and give him his contribution, or a

little less. I do not think he should be given the full amount of his contribution but that could be determined in working out the details of the scheme.

In considering superannuation so far as I have gone now I have been looking towards the future, that is future entrants to the service. All I have said so far would apply very well to future entrants to the service, but there is perhaps a more important factor, as at the present time we have about 6,000 employees in Canada who are under no superannuation fund at all. These people would contribute to the fund of course.

The CHAIRMAN.—You say there are about 6,000 employees who are under no superannuation fund at all. About how many are under superannuation?

Mr. WATSON.—Nearly 2,000 contribute.

The CHAIRMAN.—That would make a total of 8,000.

Mr. WATSON.—Yes, if my memory serves me right, there are not quite 2,000 contributing.

The CHAIRMAN.—You include within that 6,000 what classes of outside service?

Mr. WATSON.—I include all the outside service that is permanent. If I understand the thing properly all the outside servants contribute to the retirement fund. If that is not so it is practically so. Now what I have said so far was merely with reference to future entrants to the service, and the thing was worked out already with regard to them.

To come to the members of the present service, we have a conflict, a very difficult thing to deal with. And one of the great reasons why as I said before we may look with very little heed to existing schemes is that we have our positions here which are quite peculiar to ourselves. We have the retirement fund and persons contributing to that fund have long since been dissatisfied with it, and provision must be made to allow them to come in in the new fund. And the persons now contributing to that retirement fund have in many cases long periods of service to their credit. Some have now as much as 35 or 37 years temporary service during which they contributed to no fund whatever. These are things that require careful consideration. What are we to do with those people so that they will all be treated fairly, and be willing to come into the superannuation scheme on the basis proposed? And how can we arrange it so that they will not think some other person is getting something better than themselves? That is a considerable difficulty.

With regard to those on the old superannuation fund, we might consider them first. They have been contributing on two different bases. On the old fund practically all are contributing two per cent and on the second fund I think practically all are contributing three and a half per cent, to-day, some are perhaps at three per cent. It might appear to many that the persons who have been contributing two per cent should on going into a scheme of this kind contribute a good deal more than those who contribute three and a half per cent. However, it depends wholly on the point of view. If the thing is looked at prospectively it will bring us to one conclusion, if we look at it retrospectively it will bring us to another. The contributions of those paying two per cent have been put into a fund and benefits paid out, and consequently the fund is more reduced than if three and a half per cent had been paid in. The other way is to look at the liabilities the government has incurred by the bargain they have made. They have incurred a large liability, and therefore you see that we arrive at two different conclusions depending on the way we look at it. I am not prepared to say which is right, in fact I think neither one is right, without dealing with the two together. And the proposition that I would suggest and that I think is fair, is that these two funds should be brought in on an equal basis. Take both on the same status.

The CHAIRMAN.—Would you please explain just what you mean by that, Mr. Watson?

Mr. WATSON.—What I would say is this. The government have incurred a liability under those funds, a different liability under each fund.

The CHAIRMAN.—They have incurred more liability under the first than under the second?

Mr. WATSON.—Yes, exactly. Now if the government can offer to these people a proposition whereby they reduce their liability under the fund, where their liability is immense on account of the system, and they reduce their liability less under the second, or may be they incur a little more, and then I would say to place the two funds on the same basis. That is the proposition I would make, namely, that those servants should come in precisely the same way as if they had been under the fund from the start. Any scheme or basis on which they are brought in must be simple. We have not the time, and we could not do it if we had, to go to work and make lengthy calculations. They would be useless, and we would do injustice as often as we would do justice, and the thing should be done in a simple and practical manner, and I think the best thing to do is to say to those people "Come in, you are a servant, and so long as you have contributed to the old fund, your contribution will count in the new one".

The CHAIRMAN.—And their contributions in the future would be on the basis of the new fund altogether—you would have one general clean up all around?

Mr. WATSON.—Yes, and from the time they come under the new funds they will contribute the same as the new entrants on salary payment which they are receiving at the time they come under the scheme, but not before. From the day they come in they will contribute from the salary payments as they have when they come in. So far as the past goes it will be a clean sheet.

The CHAIRMAN.—Why not put in this two per cent plus the interest?

Mr. WATSON—Plus the interest?

The CHAIRMAN.—Yes, supposing we make a new fund, let them take what is on hand, what the government has in its possession. Let them put that into the new fund plus the interest for the time these people have been paying in.

Mr. WATSON.—I am not sure that that will help any. In fact that will be done, and a great deal more.

Mr. DUCHARME.—Is the government to hold the money? They hold the money now.

Mr. WATSON.—Yes.

Mr. DUCHARME.—Then they can put in the interest.

Mr. WATSON.—It would mean an immense amount of work to find out what that is, and there are other practical objections to that. In any case I think the whole thing can be accomplished at one stroke.

The CHAIRMAN.—Mr. Watson, I would like to ask you this question: Is there a fund in existence which has been set apart by the government or is it merely a part of the consolidated fund owing by the country?

Mr. WATSON.—For the old fund, that is number 1, I think there is actually no fund set apart.

The CHAIRMAN.—Just an obligation on the part of the country.

Mr. WATSON.—They simply take the contribution.

The CHAIRMAN.—That is for number 2?

Mr. WATSON.—I think there is a fund established. I think I am correct in saying that.

Mr. DUCHARME.—If a man has been paying two per cent for twenty years or so under that old superannuation fund, I do not think it would be a very big thing to work and find out how much that man has been paying and what the interest would be.

Mr. WATSON.—But what would be the object in doing that?

Mr. DUCHARME.—It would put them all on the same footing.

Mr. WATSON.—It would not put them all on the same footing It would be wholly inadequate to give him the benefits of his past payments and if it is inadequate it does not put them on the same footing.

Mr. DUCHARME.—Do you think the future rate would be higher than in the past?

Mr. WATSON.—Oh, by all means. The method I think that would work best would be to have those under the fund, no matter where they come from, from the date they come in contribute as if they entered the service themselves at that date. Difficulty is there to be faced and we will have to deal with it in some rough and ready way. For the past I should say the best course to follow is this: Ascertain when the Act has been in force one year, what the full liability incurred was, and spread that liability as if it were paid in equal annual amounts over the lives of the individuals coming under it. That would suit the government better because the government do not want to incur in one year an immense liability. The same thing occurs in England, where they pay their benefits out of the revenue each year. They never recognize the future liabilities they have at all, whereas if they went to establish a fund there would be a great big liability. It seems to me objectionable to make all that in one year. There is no objection to making it throughout the life time of the individuals.

The CHAIRMAN.—But in the past, I understand, they have not been sufficient to provide for the liabilities.

Mr. WATSON.—That is correct.

The CHAIRMAN.—Then your proposition now is to let them all come in on the new basis?

Mr. WATSON.—Yes.

The CHAIRMAN.—Do you propose to make up the deficit that is the difference between the liability which the new scheme will impose and the contributions of the past, spreading that liability over the future?

Mr. WATSON.—That is the case, yes.

The CHAIRMAN.—So that you make the contributions provide for the liabilities, but instead of the same having to be put into the fund at once it will be collected from year to year?

Mr. WATSON.—Yes, by a method of valuation. I had better deal now with temporary servants and the retirement fund. In many respects they are on the same basis. A man who has contributed to the retirement fund is on the same basis if you hand over to him his contribution, as the temporary servants.

Now with regard to parties on temporary service, that in many cases, particularly here in Ottawa, amounted to all intents and purposes to permanent service. In the majority of cases where the service lasted for any length of time it was impossible to distinguish them from permanent servants except as a mere matter of title.

The CHAIRMAN.—It doesn't seem to me to make any difference which it was called. If he had served the government constantly, what difference does it make?

Mr. WATSON.—Not any. But, dealing with those employees, they have made no contribution.

The CHAIRMAN.—With regard to those temporary servants, they have at no time paid into any superannuation fund I understand?

Mr. WATSON.—No, that is the case, except where a few of them did contribute once by mistake, and it was refunded to them.

The CHAIRMAN.—If you assume a future liability for them for the service of the past, you have to impose that liability upon the future servants to provide for the fund.

Mr. WATSON.—That was not exactly what I would propose although it would be collected in the future. It is not my intention and so far as I can see I do not think it could be done, for it would be making the charge prohibitive.

The CHAIRMAN.—Then how would you deal with them?

Mr. WATSON.—The temporary servants in the past with regard to them. I would say to the employees: "Three quarters of that will count in full for you without any contribution whatever, the other one quarter you may count what part you like by contributing in full for the benefit you get." For the three quarters the government has contributed nothing and the employee has contributed nothing. I would ascertain the capitalized amount of that and the government would make that throughout the life time of the individual, like they do with the permanent service, under the old superannuation fund. There is a liability there that the government have incurred, although they never recognize it. Now then, on coming under the old rate they make good that liability by equal payments throughout the lifetime of the individual. But it would be absolutely impossible to make the employees make it good, for the charge would be so high they would simply stay the way they are now.

The CHAIRMAN.—I thought a moment ago you did suggest the liability of the government under the two per cent fund should be assessed on the civil servants in the future.

Mr. WATSON.—No. I did not intend to convey that impression. I meant it should be made good during their lifetime out of the consolidated revenue.

The CHAIRMAN.—It is not what you said.

Mr. WATSON.—Well at any rate it is what I meant.

The CHAIRMAN.—You made it clear as if they should be made good by future contributions from the servants themselves.

Mr. WATSON.—No, I meant to say by future contributions by the government during the lifetime of the servant.

The CHAIRMAN.—But out of the government?

Mr. WATSON.—Yes, it does not alter the liability any way, because the employees cannot do it.

The CHAIRMAN.—With regard to the temporary ones, according to the mere paper distinction between temporary and permanent service, would the amount you would assume under the three quarters proposition which you have just laid down be about the same as the liability on the permanent servants who have been paying two per cent?

Mr. WATSON.—If they had the same age circumstances and the same service circumstances.

The CHAIRMAN.—Yes.

Mr. WATSON.—I cannot see that it would be difficult to determine. It would involve an immense amount of calculation.

The CHAIRMAN.—On what principle do you put that suggestion at three quarters?

Mr. WATSON.—The principle is this: Take a man who has been in the service for a long period. It is no use for the government to offer him an amount that he cannot take, for the simple reason that they charge too much for it. They must go in on a reasonable basis. If not they are up against the same proposition and the man will say, I will remain the way I am now. I will stay on the pay-list as long as possible. The charge would be too high. My reason for saying three quarters was simply that we have men who have contributed to the retirement fund for thirteen or fourteen years perhaps. They have been perhaps working side by side with the man who is on

the temporary service, and has paid nothing. He has been perhaps doing the same work and perhaps has been paid better and contributed nothing.

But I should finish with the retirement fund first. The proposition I would make to them is this: If they have enough in the retirement fund to provide for the future benefit to themselves based on the salary payments during the period of service, they should take it out of the retirement fund. Well and good. If they have too much, the balance is refunded to them, if they have not enough the government to make up the rest. To make that proposition quite possible on the retirement fund, which seems a reasonable one, if we could turn round to those on the temporary list and say: "Your service will count as well," we would run the risk of patching up a good deal of dissatisfaction in the service. A good many of the civil servants would feel that they had not been dealt with in the right way. For my own part I would not care. It is not a very great matter, and these men who have been on the temporary service must be dealt with as liberally as possible, otherwise it is no use to offer them a scheme at all. Unless they are dealt with in such a way as that, they will get out of the scheme altogether and we will have the same objections that we are paying salaries to men who are no good.

The CHAIRMAN.—Just on that point it strikes me, wouldn't you make your system compulsory?

Mr. WATSON.—Yes, on all future entrants to the service, but I think we would be making a big mistake if we made it compulsory on people who are at present in the service.

The CHAIRMAN.—It seems to me unless you do you are going to defeat one of the most important objects, namely, that you are going to encourage some of them to stay on there as long as they can instead of going under the superannuation scheme.

Mr. WATSON.—I think not. I think if a properly devised scheme can be put in force there will be very few who will not come under it.

The CHAIRMAN.—Then there would be no objection to making it compulsory?

Mr. WATSON.—In certain cases. Supposing I am a young man and want to leave the service in a year or two. I wouldn't like to have my contribution put in there and forfeited.

The CHAIRMAN.—But you must look at it from a public point of view, and the public does not know how long a man wants to stay there.

Mr. WATSON.—I think that is the one thing we should bear in mind, and that is, is the public going to gain by the arbitrary restriction. Of course in certain cases there will be gain, but will it be anything like it ought to be.

The CHAIRMAN.—I should think the strongest argument you have to put forward to the country which is not really so much satisfied with superannuation as you think it is, is that the public service demands that the old and inefficient men shall absolutely be put out of the service, whether they like it or not, and if you propose to put in a scheme which is not compulsory you are leaving the door wide open for abuses.

Mr. WATSON.—I am only speaking personally, I may say at this point that what I am saying is only my own personal opinion on everything. I have given a good deal of attention to this, and I have come to conclusions on every point of administration and all the rest of it. I have taken it up as a scientific matter, because I was interested in it from scientific reasons.

The CHAIRMAN.—But you must not put too much force in objections of a few scattered individuals against a policy that is in the public interest because it is not the individual whom you have to serve in this matter.

Mr. WATSON.—My principal objection is one of principle. I think it is contrary to all principles of British legislation to take away from a man rights that he has.

The introducing of the retirement fund has given the old employees the right to stay under superannuation if they want to or under the retirement fund if they want to. A few days ago we were discussing a matter under the Civil Service Act, and the rights that were taken away under it and you had the Civil Service Association here trying to straighten it out.

The CHAIRMAN.—But we are taking away the rights of individuals every day in order to serve the interests of the public, and if you go to work in good faith recognizing vested rights of employees, employing experts and laying down a law that you are quite sure is equitable, it would not stand much in my way if in passing an Act which would be beneficial to the service and employees as a whole we should tread on the toes of some individuals.

Mr. WATSON.—Personally I would not care. But there is one class for which exception would have to be made, that is those contributing to the old superannuation fund.

The CHAIRMAN.—I am not so sure about that.

Mr. WATSON.—Well, possibly not, either.

The CHAIRMAN.—I do not like to see a system encumbered with too many exceptions.

Mr. WATSON.—These are matters of opinion really and not a matter of principle so much. Now there is one other point that perhaps we ought to deal with. The one thing which always so far as I am aware, has confronted us when we at any time started a scheme for superannuation is what it will cost. The cost seems to be the big bugbear for the government every time.

Now at the start here we agreed, or I think we did, that a well devised system of superannuation would not cost anything, that it is a saving in the increase of the salaries and the increased efficiency in the service, there is an actual saving.

The CHAIRMAN.—You mean to say you agreed, you said we agreed, but I think you mean you agreed.

Mr. WATSON.—Possibly that was the case.

Mr. LAKE.—That is what you must convince the country of, that it is an economical thing to do.

Mr. WATSON.—Yes, now the arguments to sustain that are these, at least I went over them in the first part of what I had to say, namely, that if you don't have superannuation you must retain an inefficient employee at full salary.

The CHAIRMAN.—We have quite comprehended your point. I think you had better go on and say what you have to say about the cost.

Mr. WATSON.—What I wish to say about the cost is this: If it is considered, and I think most administrators do admit that it is more economical, why should we go to work and collect an immense amount of data, records, particularly with respect to our Civil Service, their ages, salaries, the number of children they have, &c., for really no other purpose as far as I can see but to confuse people.

The CHAIRMAN.—A wholly unsatisfactory purpose, because it does not strike at the great loss to the public service of having old and inefficient people cumbering up the offices. You cannot clear them out at all.

Mr. WATSON.—No, sir, but it does seem to me we should hesitate to go and calculate and give a lot of statistics cost, for in nine cases out of ten those are no good but to confuse people.

The CHAIRMAN.—I may say that we have before us at the present time the question of reorganization of a department or the branch of a department in which the most unpleasant feature of it is that if we make changes which we think are absolutely essential and in the public interest, to save money and get efficient work, which is the

greater point and of the most importance, we have to deal with two old men, one of them is ill, neither of whom is entitled to a pension at the present moment, and we are right up against the question whether we are going to be hard hearted in the recommendation where the individual is concerned, or allow the whole Dominion of Canada to suffer untold loss by keeping those inefficient men there. Now, in my personal opinion no contribution to the superannuation fund could for a moment be measured against the need of having efficient men in this department.

Mr. WATSON.—That is the whole case. These men cannot be made to pay for the benefit they get, and as for the matter of the cost I do not think it is a thing we should hesitate long about. It does not cost the government. It is a saving.

The CHAIRMAN.—Have you prepared any figures at all with regard to the carrying out of your suggestions?

Mr. WATSON.—Yes, I have.

The CHAIRMAN.—Can you briefly outline what they are? I mean to say what contribution would you ask from people in the future and what pensions do you suggest? What system or scale, can you give us some of those details.

Mr. WATSON.—With regard to that I might have brought my calculations with me, I don't know how I came to forget them.

The CHAIRMAN.—Perhaps in any case it would be better if you gave them when we call you before us as a witness.

Mr. WATSON.—I have made the calculations of the cost of contributions by an individual and the total cost to the government on this basis—however, I will explain all that to you when I come before you as a witness, and now I must go back to my benefits. There was some of the detail with regard to some of the benefits which I passed over, and I think it is important.

If it is necessary to have a system of superannuation to eliminate from the service men as they become inefficient, then it seems to me to get rid of these men you must take account of their needs and the time they are being superannuated, otherwise the benefits in some cases will be much larger than necessary, and in other cases much smaller. An illustration: Three men enter the service at the same age, the same salaries, and progress through the service similarly, one remains single, one marries and the third marries and has children. All through their lives they draw the same salaries and become disabled at the same age. It is evident that the man who is single will get out of the service and will be willing to go on a much smaller allowance than the man who is married, who also in his turn would be willing to go on a smaller allowance than the man who is married and has children. If that is a proper conclusion to come to, I think the benefits should be apportioned to the needs of a man at the time he goes out. I will say to the man: We will give you an allowance of one and three-quarters per cent of salary at the time you go out, and in addition to that I would give two-thirds per cent to the man who has a wife. If he has children I would suggest an allowance of say one-twentieth of his salary at the time of retirement not exceeding say $75. So it would be an attempt to place these three men as nearly as possible on the same basis, at any rate that is the principle without being too fussy about details. On that basis I have made calculations and from memory I would say that I think the contribution from an employee entering at 20, would be I think three per cent of his salary.

The CHAIRMAN.—Perhaps you had better not go into it minutely from memory. You are only presenting this feature of it at present and we will go into the details of it later on.

Mr. WATSON.—Have I made it quite clear about the method of determining benefits for the employee and his wife and children?

The CHAIRMAN.—Well, we will get that later on too.

Mr. WATSON.—Now, Mr. Chairman and gentlemen, are there any other points on which you would like to hear me?

The CHAIRMAN.—We have listened with a great deal of pleasure, and we must thank you now for the extreme clearness of your views on the subject.

Mr. DUCHARME.—You were speaking about the old superannuation fund being abolished. I would like to know if the retirement fund gives good satisfaction.

Mr. WATSON.—The Retirement Act does entirely the opposite to what a superannuation scheme ought to do. A superannuation scheme ought to retain for the government a good and efficient employee as long as he is efficient, and when he becomes inefficient it should enable the government to get clear of him easily in a humane manner with a proper regard to his circumstances in life and all that sort of thing. The retirement fund does this: You save up for a man, you keep his savings for him until he gets a certain amount of capital there, which capital is only available to him provided he leaves the service. He cannot buy a house with it or use it in any way, but it is standing there to his credit, a constant temptation to leave the service. If a man acquires a profession in the service or becomes especially valuable owing to the training which he gets there, he has a great temptation to go out into the world and take advantage of favourable opportunities which he may see. He will stay in the government when salaries are poor and business is bad, he will await his opportunity and jump out when times are good. It takes away the good men and leaves the dead beats.

Mr. DUCHARME.—As far as the man himself is concerned there is no harm in it?

Mr. WATSON.—Well, there is, but not from that point of view. It does not provide a sufficient retirement allowance when he attains old age, and in case of ill health there is nothing. The principle of insurance should be involved in superannuation, but you must also provide for getting rid of a man in earlier years. And in earlier years we must avoid one danger. Make the allowance as liberal as possible without making it an inducement for him to go out of the service before they are able to render good service. That is, in order to avoid them making pretence of ill health, it will be necessary for them to produce medical certificates that they are in ill health. But the retiring fund does not give any inducement to the man to retire in ill health, but is an inducement to the man who is in good health and is a good and capable man to leave the service.

Mr. DUCHARME.—Now about the old pension fund?

Mr. WATSON.—In one respect it is good. And there are advantages, for instance, it certainly holds a man in the service, but there are other defects too, for instance, a man dies in the service, and his widow and children get absolutely nothing. We have lots of cases here of men who have contributed in some cases for 35 years and who have died in the service, and their families got nothing.

Mr. DUCHARME.—Why was it abolished?

The CHAIRMAN.—For political reasons.

Mr. WATSON.—If I may make the request, Mr. Chairman, I would prefer not to be called upon to answer that.

The CHAIRMAN.—We all know that it was abolished because the government had denounced it when in opposition, and when they came into power for political reasons they abolished it.

Mr. LAKE.—There was no feeling in the service itself against that—I have only been here for six years and so I do not know?

Mr. WATSON.—I think there was not. There might have been possibly a feeling to liberalize it and give something to the widows and children of those who died in the service.

The CHAIRMAN.—We thank you very much indeed Mr. Watson, for your very clear statement. We have been delighted indeed to listen to you.

Dr. SMITH (The President).—I will call upon Mr. Miller of Hamilton to deal with the salary question for a few moments.

The CHAIRMAN.—One moment if you please. Mr. Watson, I understand that there have been different attempts by various people to deal with this question of superannuation, have there not? Did not some one put forward an Act last year?

Mr. WATSON.—Two years ago, I think.

The CHAIRMAN.—That of course was not subject to the approval of your association in any way?

Mr. WATSON.—Well, in a certain way we did approve of it.

The CHAIRMAN.—Not as a whole?

Mr. WATSON.—I am not sure what formal agreement was given to it, although in our heart of hearts I think there was general disagreement.

The CHAIRMAN.—Have you anywhere a draft Bill which has been drawn up for the purpose of carrying into effect the views which you have expressed here to-day?

Mr. WATSON.—I may say I have.

The CHAIRMAN.—You have such a draft Bill?

Mr. WATSON.—Yes, I have gone pretty carefully into it.

Mr. LAKE.—Is that a Bill of your own or is it one that has been brought before the Civil Service Federation?

Mr. WATSON.—No, I have not brought it before the association for certain reasons. Although this is not a matter which comes within the purview of the Insurance Department at all, I take an interest in going into it, but I thought it would be bad policy for the public servants and all concerned if we were to go to work and agree on a thing, however admirable it might be, for the reason I am not sure any government would care to take a Bill we had prepared, and although I am telling you that I have prepared a draft Bill it is quite confidential, because I thought that the government, if they were taking this up might require some information, and anything I did was in a personal way and also with a view that it might perhaps be of use to the Finance Department.

The CHAIRMAN.—We understand your personal position, being an employee of that department, but I do not think that there would be any offence whatever if as a witness you were called before us and were asked to give us the benefit of anything you have there, not for publication, but for consideration.

Mr. WATSON.—I have no hesitation in doing that at all.

The CHAIRMAN.—One more question, Mr. Watson. To what extent do the personal opinions you have just expressed represent the voice of the federation?

Mr. WATSON.—I cannot say anything about that, because I have not discussed it with them, for the reason I have mentioned. But I have discussed it, though not at such great length, with a few members of the association at Ottawa, and I do not remember that any serious objection was taken to anything.

The CHAIRMAN.—Then I make this suggestion: That your federation, Mr. President, do proceed to consider whether you would not appoint a committee made up as you like, to consult with us from time to time here concerning this and other matters. From this committee we could gather from time to time the support and the opinion of the Civil Service. In other words, we have to consider two or three points of view, the public point of view, and the departmental or government point of view and our own point of view. The Civil Service Association have already a standing committee on this subject with whom we could confer from time to time and trade views and discussion. It would help us to know when we got their views that they carried with them

the support of the federation, and before you dissolve this time you might consider the propriety of appointing such a committee.

Dr. SMITH (the President).—With regard to that I think I should call upon our secretary as he is the secretary of that committee.

Mr. HIGMAN.—I might say that Mr. Watson has spoken to me about this question of superannuation, and while personally in the main I agree entirely with his proposition, the Civil Service Association of Ottawa has not been consulted, and it must not be considered of course as being from that association. The scheme, as a whole, I think will commend itself, if I may say so, from the fact that all the civil servants under that scheme, especially the future entrants, will buy their own superannuation, that is so far as they themselves are personally concerned, and to that extent I think it should commend itself to the public.

The CHAIRMAN.—What we would clearly have to do—there is the two per cent man and the three and a half per cent and the temporary employees and those under the retirement fund, and I do not suppose we can as yet, there is the man of the future. And when we come to consider any measure that is before us, we have not only to hear the federation and the association, but we have to take particular care to have the representatives of the different classes appointed by those classes in order that their views may be thoroughly understood. It would be a great thing to have a measure that would come to the government for consideration with the practically unanimous approval of all the persons whose divergent interests are represented there, I would say more than the whole of the Civil Service, but every class of the Civil Service altogether.

Mr. LAKE.—It would be a very fair step towards getting the government to take hold of a measure.

Mr. WATSON.—I might say that one very strong incentive to agree and sink minor differences would be the fact that a measure had been put forward by the Commission, and approved by them, that would be a strong argument in favour of all classes of the Civil Service accepting it. And if we could pretty well agree that a wise measure had been devised, I think the minor differences would be ignored.

Mr. COATS.—What we hoped to do with your Commission was to repeat what we did with Mr. Courtenay's Commission of some two or three or four years ago. At that time the government actuary was a Mr. Grant, who was one of the officers of our association, and Mr. Grant having been in Mr. Courtenay's own department when he was Deputy Minister of Finance, he practically asked Mr. Grant to consult with them confidentially in the drawing up of a measure. At that time Mr. Grant, as I say, was one of our own officers, and we thus had an opportunity as an association of being in touch with the Commission in the various details of the proposed measure.

Of course as members of this executive of ours we are politicians in a way, Civil Service politicians, and we appreciate the fact that a superannuation measure is so essentially a complicated measure, and so essentially a measure of which an understanding is difficult to arrive at, that we do not feel that at the present stage we can adopt Mr. Watson's Bill, because I may say he has a Bill up his sleeve which completely carries out the whole of the principle he has enunciated this morning. Our problem as an executive is that if we put forward that or any other Bill whatever we would have probably a long and interminable discussion on our hands. We have a committee on the subject, of which I happen to be chairman. That committee has been in close touch with Mr. Watson, and I think on the whole sympathizes with his views. Naturally we have not the intimate knowledge of what he exactly is proposing that he has, but I think if you could take Mr. Watson's Bill yourselves it would be of great help in this matter. In the first place it would be of tremendous advantage to the Civil Service Federation if the Commission would itself put forward some figures.

The CHAIRMAN.—You mean some Bill should go from us to the civil servants for discussion?

Mr. COATS.—Yes, it would have so much more force with our membership.

The CHAIRMAN.—You mean simply just to reverse the procedure, and instead of having you suggest the Bill for our approval have us submit a Bill?

Mr. COATS.—Yes, it would have more force if you put it forward than if we did.

Dr. SMITH (The President).—I will now call upon my friend Mr. Miller of Hamilton, to say something on the question of salaries.

SALARIES.

Mr. MILLER.—Mr. Chairman and gentlemen of the Commission, I may say that the question of salary is one that affects every member of the association, every member of the service and it would be like carrying coals to Newcastle if I were to attempt to explain to you at any length what we consider the tremendous necessity of a general increase of salary on account of the increased cost of living.

The CHAIRMAN.—One moment please, Mr. Miller. I would be glad if you would tell me first where you are employed?

Mr. MILLER.—I am collector of Inland Revenue in Hamilton. I am now addressing, you, sir, not as a representative of the Inland Revenue branch, but on behalf of the executive of the federation.

The CHAIRMAN.—That is for the outside service?

Mr. MILLER.—Yes, the outside service. As I was saying the necessity felt by the outside service of an increase in salary on account of the increased cost of living is not sectional, nor yet is it personal with a few. It extends from the far east to the far west. Conditions are similar in that respect throughout our whole Dominion. You are well aware of the fact that it is said by those who are deeply interested in the cost of living, that really we are facing an increase in cost of from forty-five to fifty per cent. If that only affected the ordinary articles that we buy for sustaining life we might curtail to some extent in another direction, but there is no portion of the expense of a family or of an individual that has not gone up to the extent that I have just stated. We cannot lop off half of our clothing and do something a little better for our table, we cannot lop off the table and do something a little better for our personal appearance, because naturally we all want to be strong, healthy and rugged. We are desirous of seeing our families grow up in our midst healthy, sound and good Canadians, ready to carry on the work and the prosperity of this country when we are gone. Now, sir, our position is peculiar in the community in which we reside. There is hardly a man or woman on the street that does not recognize almost any member of the service, be he in the Post Office, in the Customs or in the Inland Revenue. It is desirous that we should appear at all time in our office, on the street, and in assemblies that we may attend, that we may be clothed in a proper manner to maintain the dignity of our position, and the member of the Civil Service, be he in the outside or the inside, who does not appreciate the dignity and importance of the position he occupies in the community, is belittling his manhood and injuring the service. Consequently, we are all desirous and we are endeavouring to keep up that tone of respectability which commands respect. Our families are in the same position, we have to maintain them just as respectably and as well as we are endeavouring to keep ourselves. We can all understand and appreciate that. Then again, the social position —while I am far from being a social man——

The CHAIRMAN.—Say a society man.

Mr. MILLER.—Yes, while I am far from being a society man, we all have to do a little bit of that, and if we do mingle in society and take advantage of our opportuni-

ties of having a social time with our friends and neighbours, we have to appear just as well as they do. On occasions my wife has told me, "No, I can't do that, my dress is not suited for such an occasion as that, and I decline to go."

The CHAIRMAN.—We are all married men and we can all appreciate that.

Mr. MILLER.—Yes, and I have no doubt you have all felt the same thing.

The CHAIRMAN.—We have all heard the same thing.

Mr. MILLER.—Now, sir, there is one phase of the increases that have been granted that is very onerous to the service. I will give as an illustration a case in connection with our department. A couple of years ago we had an increase. There has always been a maximum and minimum salary in connection with the various classes into which our department is divided. They arrange these annual increases from 7 per cent to 10 per cent on the minimum.

The CHAIRMAN.—Is the Inland Revenue Department the outside officers, under the Civil Service?

Mr. MILLER.—Yes.

Mr. COATS.—You are not under the Act of 1908, Mr. Miller?

Mr. MILLER.—No, Mr. Chairman, I am not speaking at all of what pertains to the inside service, but purely to the outside. Take our department, and I presume it is the same thing in the Post Office and the Customs. Our increases run from 7 to 10 per cent on the minimum of each class. Now, when I tell you that at that rate those under a certain salary are increased about $6.50 a month, others $7.50, others $8 or $8.25 taking somewhere about four years for us to arrive at a maximum, and as you are all married men you are well aware how far that would go and what a great advantage that would give you when you simply get about $6.50 a month of an increase, and that it will take you five or six years to get up to where you desire to be.

Mr. DUCHARME.—An increase every year?

Mr. DUCHARME.—On what is the increase based? Is it a yearly increase?

Mr. MILLER.—Yes, but divided monthly.

Mr. DUCHARME.—An increase every year?

Mr. MILLER.—Yes, now for instance, in some classes their increase is fixed at $100.

Mr. DUCHARME.—Per year?

Mr. MILLER.—Yes, per year, that divided up into twelve give about $8.32 or $8.33 per month. If they are in a lower class then that it gives them about $75 per year.

Mr. DUCHARME.—And it takes about four or five years to get to the maximum of that class?

Mr. MILLER.—Yes. Now I would like to impress this fact upon the Commission, that after years of service, and we claim that we render faithful service to the department, shouldn't there be some advantage given to a man no matter what class he is in, who has served the country and the government faithfully for 15 or 20 years?

That is something that would gladden the hearts and relieve the necessities of a great many, and would be of such a nature and such a character as to make the feeling between the service and our governments, as if the ogvernment had a fatherly interest in the service. We all appreciate and feel the necessity of an absolute honest performance of our duties, and we wish the government to feel that we are doing that, and when we come to them and ask them for some consideration as to increase of salaries we want them to feel that it is not a graft scheme, but it is something that is due to us, I was going to say from father to son, but at all events from the guardian to the ward.

Now this question of increase is so personal that every one who ever put in any time for which he was receiving a salary appreciates the delicacy that we have in coming before your Commission or coming before our ministers or the government, and asking for an increase. We feel that to-day we are no excep-

tion to the general rule. Unfortunately, look at that great strike that is to-day paralysing the trade of England. The question of salary, the question of wages. May I say, although we have no intention of striking, that we look upon the cabinet and upon the government as our employers and we regard ourselves as their employees. Now we simply place our case in the hands of this Commission. We believe and have confidence that you are here for a purpose, and that purpose is to work out some good solution of the many difficulties that hamper and surround the best interests of the outside service. I thank you, gentlemen.

Mr. DUCHARME.—Mr. Miller. I would like to ask you one question, and that is with regard to the increase you get every year from $6 to $10 a month, say an average of $8 a month. That means $8 every first year, $16 the second year.

Mr. MILLER.—Per month.

Mr. DUCHARME.—Yes, per month, and $32 for the fourth year?

Mr. MILLER.—Yes, it goes on annually.

Mr. DUCHARME.—Well, in spite of that increase do you think the cost of living has been increasing the last five years so fast that you should have an increase of salary?

Mr. MILLER.—Yes.

Mr. DUCHARME.—And in case the cost of living should go down again to what it was five years ago would you then want a decrease in your salary to be made?

The CHAIRMAN.—I think we will excuse you from answering that question Mr. Miller.

A DELEGATE.—That does not mean that we should starve while the cost of living is increasing.

Mr. LAKE.—Will you tell us exactly what the increase was that was made to the service three or four years ago?

Mr. MILLER.—I think it went into effect two or three years ago.

Mr. LAKE.—Just tell us exactly what it was.

Mr. MILLER.—I could only tell you in connection with the Inland Revenue Department.

Mr. LAKE.—That is all I want.

Mr. MILLER.—Well, take myself for instance. I was granted an increase of $400.

Mr. LAKE.—Were all the employees in the Inland Revenue Department granted an increase?

Mr. MILLER.—Yes, they all got an increase. I was granted an increase of $400.

The CHAIRMAN.—I find the Act was assented to on the 4th of May, 1910. I presume it was at that time.

Mr. MILLER.—Yes. My salary, I was at the maximum class for salaries at that time, $2,400 per year. I was granted an increase of $400, that is the maximum was extended to $2,800. I got $100 a year, $8 and some few cents a month, and it will take me four years to arrive at the maximum, and the staff downwards are in an even worse position to that, because their percentage of increase as the scale goes down, is less.

The CHAIRMAN.—You mean that you were not granted $400 four years ago, but the maximum salary to which you might attain was increased $400?

Mr. MILLER.—Yes.

The CHAIRMAN.—And you have to go on a number of years before you can come to the full measure of that increase?

Mr. MILLER.—Yes.

The CHAIRMAN.—So you say that although that recognized the increased cost of living by providing an increase of the maximum, it did not provide at once for the increased cost of living?

Mr. MILLER.—Far from it.

The CHAIRMAN.—And it was a case of starving until you got to the maximum?

Mr. MILLER.—Just a little sop each year.

The CHAIRMAN.—Instead of making it at once a recognized sum?

Mr. MILLER.—Yes.

The CHAIRMAN.—We are very much obliged to you, Mr. Miller. I am sure you recognize this, that in undertaking to discuss and consider the salaries of the outside service, we have an immense job before us, because as you have said, these conditions are as wide as the Dominion itself, and they have to be considered with regard to local conditions, possibly even the local cost of living, which may be very much greater in the west for instance, than it is in the east. Then you must recognize this, that salary and classification have to be considered together to a considerable extent, and in considering classification one has also to consider organization, that is to say, what class of man is required to do a certain class of work in a certain part of the country. So it is like a house of brick, every brick bears down upon some other brick, and it is a question which I may say, although we anticipate that we are going to devote very close attention to it this summer, and probably will soon be travelling over the country, it is a question that will take an immense amount of time, and if you will kindly bear with us as a Commission, if you find that on this particular feature we are pretty slow. I have seen some complaints recently in some writings about the slow progress commissions make in these matters. I will leave it to you if you think a matter of this kind can be dealt with in a hurry and be dealt with in a careful and proper manner.

Mr. MILLER.—There is no one who appreciates your difficulties more than the gentlemen of the service.

Mr. HIGMAN.—Especially those who have studied the question.

Mr. MILLER.—Yes, those who have studied it and taken an interest in their staff, the life of their staff, the quality of their staff and the work to be done. And we also fully appreciate the different conditions from one locality to another. While I said a few minutes ago that the increase had been general from the east to the west, I presume that may be the west are harder pinched than we are, because they live under different conditions. Their provinces are younger, and may I say it, their necessities expand with the expansion of the country.

Now here is a letter, and I fancy I may best place it in your hands. This is a letter that the esteemed secretary of the federation received from the secretary of the subordinate branch in Vancouver. The letter reads as follows:—

'DOMINION CIVIL SERVANTS' ASSOCIATION OF BRITISH COLUMBIA,
'VANCOUVER, B.C., February 15, 1912.

'R. H. COATS, Esq.,
'Secretary, Civil Service Federation of Canada,
"Ottawa, Ont.

'DEAR SIR,—I submit herewith resolutions passed at our annual meeting of the 10th inst.

'"Resolved that a communication be sent to the Secretary of the Civil Service Federation requesting that a representative of the Dominion Civil Service Association of British Columbia wait upon the Civil Service Commission at Ottawa, or should Commissioners come to British Columbia that then our representative be permitted to lay our case before them when there.

"Resolved further that the committee of the Civil Service Federation, which

meets the Civil Service Commission be requested to press our claims of a provisional allowance to all civil servants in B.C. to offset the difference in cost of living in further west as compared with the east.'

"May I further on behalf of the members of our Vancouver branch request you to call upon their member Mr. Stevens in view of strengthening their cause in respect to a western allowance.

"You will find Mr. Stevens a man easy to approach, who I can assure you will be only too glad to meet you.

"In the hope that you will be able to help us in this regard,

"I am,

"Yours truly,

"A. B. SOWTER,

"*Sec. Treas.*"

About the only thing that they desire is to have an allowance in the difference in the cost of living, which I think is no more than right. We in the east appreciate their conditions, and if we can extend a helping hand to them we are only in duty bound to do it. I fancy that Mr. Coats will not object if I place this communication in your hands, Mr. Chairman, and that will show you that that is one of the crying wants of the west. It applies not only to British Columbia, but to Saskatchewan, Alberta and Manitoba as well.

The CHAIRMAN.—Mr. Coats, you are in the Labour Department, are you not?

Mr. COATS.—Yes.

The CHAIRMAN.—Can you tell me one or two things: Have you statistics in your department showing the cost of living?

Mr. COATS.—Yes, we have quite an elaborate series of statistics on that question.

Mr. LAKE.—You drew up a large volume, didn't you?

Mr. COATS.—Yes.

Mr. LAKE.—That has been kept up to date, I suppose?

Mr. COATS.—Yes, it is up to date. I have a supplementary report in the press at the moment.

The CHAIRMAN.—Are they comparative for a number of years?

Mr. COATS.—Yes, in so far as wholesale prices are concerned. We have two price records, wholesale and retail. Of course the phenomena from a statistical and an economical standard are different, and require different systems of computation. For instance, the wholesale price is the same over the whole country, for instance, the price of wheat is the Fort William price, plus freight to any point, so you can take wheat and find out its cost at a certain point very easily. The retail prices involve a different class of phenomena, because they involve middlemen.

We have in the first place this wholesale price record which we have reduced to an index number. We have a large number of commodities, 261 there, and they are collected so as to be entirely representative of the commercial and industrial life of the country, divided into groups, and so on. We have taken a record of these 261 commodities back to 1890, for the purpose of getting out a special report two years ago. We went back to that period in order to get proper perspective, and we took as our basis of comparison the decade from 1890 to 1900. We said: In the case of each one of these articles we will find out what the price of this article was, the first of each month, and we shall record that as equal to 100, and express all other prices in percentages of that basis.

Our findings were something like this for that 20 year period. We found the prices decreased somewhat rapidly from 1890 to 1896, but that beginning in 1897, a much more forward and upward movement began. Prices which were expressed in

the terms of those index numbers 92, in 1897 rose to 126 in 1907. That means an increase approximately of 35 or 37 per cent. And in 1907, the year of the panic in the United States, there was a slump in general prices, in 1908, and the first part of 1909, but since June, 1909, the old upward movement has set in again, and our index number for last month was 131, which was the largest point it ever reached for the 22 years that we have these accurate records for, and I think as a matter of fact unless detailed information, that is the highest point prices have reached in Canada since 1882, and probably since 1873. The prices were very high the world over in 1873. On a cost of living basis, I do not think Mr. Miller's statement that the level of prices are from forty-five to fifty per cent higher than in 1896, is a bit exaggerated.

Our retail prices record is in a different form. We have not so many commodities, because you can include in 30 commodities practically from 80 to 90 per cent practically the consumption of an average family. But in that connection we have drawn up this list of some 30 articles which include food, fuel, light and statement of prices and we get each month from our correspondents in each city a return of current prices so that we can furnish this kind of a comparison. This kind of a comparison between the east and west, more or less accurate statistics. I once made calculations, I forget at what time, as between Ottawa prices and the prices in Vancouver, based on our retail prices record, and it did bear out the statement in this matter that prices are somewhere from about 15 to 18 per cent higher in British Columbia.

The CHAIRMAN.—Is that true of the prairie provinces as well?

Mr. COATS.—I think so. I could furnish a statement.

The CHAIRMAN.—Yes, it was more for the purpose of asking you would you be good enough to furnish a statement if you haven't got it now, that I asked you the question. What I would particularly like is a statement dealing with sectional cost in the east as compared with west and also in the intervening provinces. Also of course there is the question of the positive increase of cost of living, which I think can probably be proven to be general all over the country. Now is the increase of wholesale prices a fair measure to apply to the increased cost of living for a family in a separate section?

Mr. COATS.—Well, it is not as good a test as retail prices, but they are so much more available. You see wholesale prices are quite different. The price of wheat will change many times in the course of a day, but after all we don't eat wheat, we eat bread. And the price of bread does not fluctuate nearly so rapidly.

The CHAIRMAN.—I presume you could only get retail prices over the country from the books of private dealers, and not from market quotations, because they do not exist.

Mr. COATS.—No. We have in progress a corresponding investigation of retail prices.

The CHAIRMAN.—In one of the Commission I noticed that Mr. Blue, I think of the Statistics Branch, put in returns concerning the cost of living. Does that department get any closer statistics than you do?

Mr. COATS.—No. I do not think so. It was in connection with Mr. Courtenay's Commission.

The CHAIRMAN.—Yes.

Mr. COATS.—Mr. Courtenay asked Mr. Blue to compile those figures. I don't think the census deals with prices.

The CHAIRMAN.—At that time there were no statistics sufficient to give a good idea of the whole country.

Mr. COATS.—No. I think Mr. Blue's statistics were part wholesale and part retail.

The CHAIRMAN.—And must have been obtained how?

Mr. COATS.—From journals, newspapers and trade reports.

The CHAIRMAN.—And so far as the returns were concerned would be very fragmentary?

Mr. COATS.—I think they were wholesale altogether.

The CHAIRMAN.—What I would like to do would be to take Nova Scotia for instance, some fair evidence of what would be the increase in the cost of families living in Nova Scotia.

Mr. COATS.—The Department of Labour ought to be able to furnish that. Unfortunately it cannot at the present moment. It is a peculiar problem, because in such a large country as Canada there is the other question, namely, the different standards of living necessary in various places. For instance, in Victoria, B.C., you have a climate comparable to the south of England, and in Winnipeg you have a climate which can only be compared to a city like Moscow in the heart of Russia. Victoria people burn a soft bituminous coal for a few months in the year while the Winnipeg people must burn coal perhaps for eight months in the year, and must bring a great deal of it from Pennsylvania. So you see that prices are not the only thing.

The CHAIRMAN.—That is what I meant when I stated that we had to make our inquiry into all parts of the country under the local conditions, for instance, cities have a different style of living from towns and country places, and places in the east are different from those in the west, &c., and all those things have to be taken into consideration in estimating the thing as a whole.

Mr. COATS.—I think if you could wait three or four years the Department of Labour will have covered this very thoroughly.

The CHAIRMAN.—We are willing to wait if you are, and if you can get the government to continue our life for that long we would gladly wait. We shall have to go to your department for those figures.

Dr. SMITH (The President).—I had associated with Mr. Miller, a Mr. Hall from Hamilton, but unfortunately he cannot be here this morning, so I will have a word or two to say in closing our discussion here this morning, unless some one wishes to say something or unless one of the Commissioners wishes to ask anything.

I want to speak for a moment on the extension of the Act of 1908, that is to have the Act extended to take in the outside service. My remarks along that line will be very short, and I must say that I am delighted to see the grasp of the situation that you gentlemen have shown this morning, and I wondered that you should get at it so readily and clearly in the short time since you have been in office. I know that I went into the service nine years ago and it took me years to be able to express myself along the lines that I have been pleased to hear this morning, and I therefore feel it is not necessary to discuss this subject at any length feeling that we may go home perfectly satisfied that the ideas and desires are fully appreciated by this Commission, I will be delighted to express to my confreres as I meet them the confidence that I feel in this Commission and in the effect of its work throughout the Dominion.

Diverting from business for a minute I was reminded of a story that I heard the other day. It seemed as if I was in a dream, like Pat, who went to visit his friend Mike, and in the course of his entertainment Mike asked Pat if he would have something. Pat said yes he would, and Mike asked him if he would have it cold or hot. He said he would have it hot, and Mike went away for the hot water but before Mike returned Pat woke up. Now I don't want to wake up. I just want to go home in the pleasant dream that I have got into this morning, feeling that we are going to get it both hot and cold.

Another point I want to touch on, but I don't want to detain you too long. I don't want to be in the position of the young debater. The story is told of a young gentleman who when he was at college took a great interest in debating, in oratory. After the college closed he was invited to a town in Ohio to deliver an address, which he did. On his return his friends asked him: Did you go to Canton, Ohio, and he

said, yes, and they asked him if he did pretty well, and he said, yes, well enough. Then they asked him if the people in Canton had asked him to go back and deliver another address, and he said, well, no, not exactly, but they had kind of dared him to come back. I want to leave ourselves in the position Mr. Chairman, that we will be able to come back and discuss this question with you again, that you won't dare us to come back again.

Now reverting back to the point at issue, we would like to have the Act of 1908 extended to take in the outside service. I think that is unanimous throughout the whole country with the exception of a few points which are not understood by some, and the trouble with them is that they are afraid that certain examinations might be brought on. They feel that any examination they might put, to men who have been in the service for years would be along the lines of practical work, and not in grammar, geography, history and so forth, and after this discussion with the Commission this morning I feel that we can safely leave that matter in their hands.

We are not so particular about the opening examinations, the qualifying examinations, because while we are here in the interests of increased salaries, we are also here I want the Commission to understand, in the interests and benefits of the service as a whole. We want to see the service benefitted, and we want to see those who come into the service to be men qualified for the positions and so the government must not feel that we are trying all the time to get everything for ourselves, and I wish them to feel that we are trying to give something in return for it. We have agreed upon a little schedule here, taking the resolution as introduced by our Minister of Customs, I will just speak to the one point at present, and we made one or two suggestions here, and I am leaving it in the hands of Mr. Coats, who is the secretary, and who is the gentleman whom you can communicate with easily and he with you at any time in Ottawa. And so far as the position of the service is concerned when you are discussing matters with Mr. Coats, our secretary, he is so well qualified and we have so much confidence in him that we will back him up at all times, so you can put any kind of question to him, as hard as you like, and if he says yes, we will say yes at all times. So it will make it easier for us to leave things in that way.

I was very glad to hear the Chairman express himself this morning about the different customs and the different cost of living in the different parts of this Dominion. You have the right idea, and I agree with you in that particular as in all the rest. The different parts of Canada and the different conditions under which we live must all be considered. I think that is a fair proposition and I was very much pleased indeed when I heard you make that remark.

It is not necessary to detain you at any further length, and I know things will come up from time to time with the different departments, from what you said this morning, and I know you are going into things so fully that I do not care to say anything more. If any of the other gentlemen would like to ask a question I would like to hear them. I thank you most heartily for the cordial manner in which we have been received here this morning. I speak for the Federation as a whole. I want to speak to the President of the inside service who is here this morning and to thank him for the manner in which they have been working on this question, and I want you to know Mr. Chairman, that we are in accord with the work done by the inside service. I want to say that we have always agreed with everything the inside service has done and we have nothing to say but to thank them for the good work they have carried on and for the assistance they have given us.

Thanking you for the hearing.

The CHAIRMAN.—Mr. President, we commissioners know not only from our position and the fact that we have been appointed, but also the many private discussions we have had with the premier and other members of the government, that the government is sincerely desirous that all questions affecting the Civil Service, both inside and outside, shall be grappled with in a statesmanlike way. They have felt that there

was so much necessity for relief, that even in this session shortly after coming into power they have, in a piecemeal manner, in two or three respects, endeavoured to give relief. They have on the one hand felt that they are atcting too considerately in dealing with individual cases, and that the whole subject ought to be dealt with. But still pressure caused them, as the Minister of Customs has done, and in one or two other respects certain particulars have been grappled with. But the government has expressed to us that our appointment is because of the fact that these questions are so wide and have to be studied in such a wide way and yet in such detail, that no government could without the aid of a special commission attempt to grapple with them all. Therefore the government have been forced to postpone their dealing with these subjects. They expect of us that we shall give a very thorough and complete study to these subjects, and I am sure as far as the members of this Commission are concerned, if they fail it will not be from lack of good will or desire, but perhaps from a lack of ability for which they must not be blamed, if they do not show enough. We shall endeavour to study the question with all the power that is in us and will endeavour to grasp it particularly and thoroughly in detail, and I am sure my colleagues and myself will have no hesitation in recommending what we think justice demands and what are the requirements of the public service. Your cause is encouraged by a feeling which I think is stronger than ever before on account of the change of government. The old government had to some extent lived down the pressure on their early days, what had made the service what it was, and did not feel the cry for patronage as much. The incoming government, as I know from talking with them, and every member of parliament as well, feels the terrible pressure of the patronage cry, and putting the service, if it can be put, under the Civil Service Act will be the greatest relief of all to the representatives in parliament, and to the ministers, whose lives are to a very large extent made anything but pleasant by the demands for patronage that are going on from time to time, and appointments of one kind and another. So you see it is a very auspicious time for this subject to be dealt with, and I am satisfied if we can make a wise recommendation, by the time parliament meets next session these recommendations will meet with support from members of the government and members of parliament, I think on both sides. So I think you may look forward and consider that something will be done in the next session of parliament.

Mr. HIGMAN.—I was simply going to urge with a word the application of the Bill of 1908 to the outside service, because being the head of a highly technical branch of the service, and knowing as I do from past experience the class of appointments which have been made in the past, I shall welcome with a great deal of pleasure the application of that measure to the outside.

The CHAIRMAN.—What is your branch, Mr. Higman?

Mr. HIGMAN.—Electricity.

The CHAIRMAN.—The Inland Revenue?

Mr. HIGMAN.—Yes. Well, in the Inland Revenue we are not on it, and we did not participate even in the small advantage my friends here spoke of. We were not so fortunate. But we shall be very glad to have the Act of 1908 apply to the outside service. For instance, I might say that a saloon keeper or a railway conductor or a shoemaker are not the best qualifications for making delicate electric measurements, and yet I have men of that description on my staff. There have been improvements however, during the last few years. Our Electricity Inspection Act was devised in 1907, and a clause prohibiting the appointment of any one who has not qualified by examination is in that Bill, but notwithstanding that the local politician gets around it. He does not have them appointed, but he has them employed, and I am looking forward with a great deal of pleasurable anticipation to the application of the Act of 1908 to the outside service. The inside service is now happily all right.

The CHAIRMAN.—According to your experience a shoemaker does stick to his last then. I would like to say a word referring to Mr. Coats. We look forward to meeting Mr. Coats and Mr. Watson in great anticipation of their assistance to the Commission in many respects. You are well represented here, gentlemen.

Dr. SMITH (the President).—You will find in Mr. Coats and Mr. Watson very capable young men indeed. We are well satisfied.

The Commission then adjourned.

PUBLIC SERVICE COMMISSION.

BRITISH COLUMBIA SITTINGS.

VICTORIA, WEDNESDAY, July 24, 1912.

The Public Service Commission met in the Post Office Building, Victoria, at 9.30 a.m.

PRESENT:

Mr. RICHARD S. LAKE,
Commissioner.

A deputation representing the various government departments met the Commissioner, consisting of the following:—

William P. Winsby, Department of Customs, President of the Victoria Civil Servants' Association.
Andrew P. Calderwood, Department of Customs, Secretary of the Association.
William Marchant, Department of Customs.
A. J. Dallain, Department of Marine and Fisheries.
J. G. Brown, Department of Public Works.
Douglas B. McConnan, Assistant Receiver-General.
Daniel O'Sullivan, Inland Revenue Department.
Joseph E. Miller, Department of Inland Revenue.
Captain J. A. Thompson, Department of Marine and Fisheries.
W. E. Ditchburn, Department of Indian Affairs.
Mrs. Thomas, Department of Customs.
W.S. Warwicker, Post Office Department.
S. W. Edwards, Department of Customs.
John Speed, Immigration Department.
Peter Shanley, Department of Customs.
W. H. Harris, Department of Inland Revenue.

Mr. LAKE.—I would like this morning if you gentlemen would give me a general view of the service, of the employees who constitute the service in this province, a general idea of the work, and especially the conditions of your service.

Mr. WINSBY.—We have been talking over the matter, and there are several things which we would like to represent to you, some of which our secretary has embodied in a short statement.

Mr. CALDERWOOD (Putting in statement).—The scale of living is just as low as we can make it, with justice to actual facts. Living for two persons would come to $83.25 per month without clothes, amusement or anything else. The minimum wage paid by the city to labourers is $3.

Mr. WINSBY.—I am getting lists of prices from grocers and butchers of the actual prices to-day, which I will let you have to-morrow.

Mr. SHANDLEY.—I came to represent the landing waiters in reference to a recent orders from Ottawa, stating that they shall wait on the wharfs till 6 p.m. Other departments close at 5.

Mr. LAKE.—Up to the present time what have been your hours?

Mr. SHANDLEY.—From eight in the morning till six at night, and we want to remedy that to five.

Mr. LAKE.—Is there any change made in the hours of any other department?

Mr. SHANDLEY.—Not that I know of.

Mr. LAKE.—What are the ordinary hours in the city?

Mr. SHANDLEY.—Eight hours. These are the hours of the ordinary working man. for the city employee, and these are the hours the government inserts in any contract.

Mr. LAKE.—What are the hours in the provincial government service?

Mr. SHANDLEY.—The provincial law is eight hours, nine to five with an hour for lunch.

Mr. LAKE.—Have you no regular hours for lunch?

Mr. SHANDLEY.—No. If there is a ship at the wharf, and only one officer there, he is compelled to stay on.

Mr. SPEED.—I have been a little over three years in the service. I am an Immigration inspector, inspect all the local boats and others, and do most of the clerical work in the Immigration Department.

Mr. LAKE.—What are your grievances?

Mr. SPEED.—My salary is $75 a month, which is the smallest one paid in the department, and I do as much as any one if not more than any of the other members of the service.

Mr. LAKE.—How many officials are there in the Immigration Service here?

Mr. SPEED.—There are just two. My senior receives $100 per month; we both do the same work.

Mr. LAKE.—And you feel you are being underpaid?

Mr. SPEED.—I do, but I leave it to your judgment. I might state that the agent of the Marine Department has recommended me by letter a year ago to the department for an increase, and the department has not taken action. According to the cost of living, I think I am justified in asking for an increase.

Mr. EDWARDS.—There is only one matter I would like to have the commission bring to the attention of the government, and that is the matter of uniforms supplied by the department for Customs' officers. At the present time the Dominion Government grants us $17.50 every six months for uniforms, and as you are no doubt well aware out here in the west the sum of $17.50 does not go far in providing a uniform, and therefore we have had to pay the difference which is usually about $15 extra. What we would like to have drawn to their attention is we would like to have that increased for Customs uniforms, say to $25 every six months. We have to buy the uniform and purchase the cap as well with that $17.50, and we find that we are very far short.

Mr. LAKE.—What is the position you hold, and what is your salary?

Mr. EDWARDS.—I am a landing waiter, and examining officer. To tell the truth, I am ashamed to say that my salary is $1,000 per annum.

Mr. LAKE.—That covers everything? That is all you receive?

Mr. EDWARDS.—That is all.

Mr. LAKE.—Is that the same as paid in the east for landing waiters?

Mr. EDWARDS.—Well, I do not know. I think it is a little lower than Montreal and Toronto. We begin at $600. I have been in the service sixteen years, and have got up to the maximum.

Mr. LAKE.—Are there any regular increases?

Mr. EDWARDS.—No.

Mr. LAKE.—It is simply an increase by the minister, Mr. Edwards?

Mr. EDWARDS.—Recommended by the Collector.

Mr. LAKE.—Is $1,000 the maximum salary?

Mr. EDWARDS.—Yes, for landing waiters and lockers. In the Immigration Department the government supplies heavy overcoats, but in the Customs we only get the uniform.

Mr. LAKE.—You mean you get $35 a year to purchase two suits?

Mr. EDWARDS.—Yes, and it costs $60. Our desire is for an increase in that allowance. In regard to salary, of course we all want an increase, and as much as possible. This is, without doubt, the most expensive place to live in in Canada. When you compare the cost of the east, we are not getting enough.

Mr. LAKE.—From what part of Canada did you come sixteen years ago?

Mr. EDWARDS.—From Ottawa.

Mr. LAKE.—When you arrived, what percentage of difference did you find in the cost of living?

Mr. EDWARDS.—At that time fully 30 per cent between the east and west.

Mr. LAKE.—Did you wipe that out in salary?

Mr. EDWARDS.—No. From the keeping of a family I came to the conclusion that it was at least 25 per cent to 30 per cent more sixteen years ago, even twenty, than in the east, because though they tack it on in Ottawa, we had our public market to buy produce at. Here we have nothing like that, and therefore have to pay for it, pay high prices at the stores.

Mr. LAKE.—I would like to get more information in regard to the general cost of living. There has been handed in an estimate of the cost of living. Is there any other gentleman recently from the east who could give me an idea what the increase has been in late years?

Mr. WARWICKER.—I came here from Ottawa seven years ago. In Ottawa I had my own home, and did not have to rent, but when I came here and began to look around I found I would not get anything suitable under $30 a month. That was about seven years ago.

Mr. LAKE.—About how much would the same class of house rent for at Ottawa then?

Mr. WARWICKER.—About $18 or $19 a month. In the matter of groceries—butter, for instance, in Ottawa we thought it was quite a price to pay 28 cents a lb. When I came here it was 40 cents, and the same proportion for different groceries.

Mr. LAKE.—You find that all groceries cost more here?

Mr. WARWICKER.—All much higher. Eggs went up as high as 75 cents a dozen. There we used to pay 40 cents, and that was the highest. Of course it may have increased since.

Mr. LAKE.—Did you not find some classes of goods cheaper here than in Ottawa?

Mr. WARWICKER.—No, I cannot say I found one, except perhaps soap.

Mr. MARCHANT.—Fuel is about the same.

Mr. WARWICKER.—Soft coal is $7.50 here. In Ottawa we got hard anthracite for $7.50.

Mr. LAKE.—Was that the price when you came?

Mr. WARWICKER.—Yes, and it is the same still, although the mines are within a hundred miles.

Mr. LAKE.—How about wood?

Mr. WARWICKER.—It is the same price as coal.

Mr. LAKE.—That is $7.50 a cord?

Mr. DITCHBURN.—It is sold by the load, not by the cord. They do not sell by the cord, because some get hauled before the magistrate for giving short measure, and now they do not sell by the cord, but by the load. It may be three-quarters or nine-tenths of a cord, but never over measure.

Mr. WARWICKER.—I think it is the same with coal, because we have no public scales, the fact that we have no public market in Victoria helps to make produce higher.

Mr. MARCHANT.—Clothing is higher.

Mr. WARWICKER.—You could get a nice suit in Ottawa for $24, while here you will pay $35 for about the same thing.

Mr. LAKE.—I think there was an impression—I know I had it myself—that you could get goods by sea, the freight being a small matter, and that in some respects you could get them cheaper here than in the east.

Mr. MARCHANT.—The filtration of profits seems to have reduced prices in the east, as compared with the west. Goods passed through comparatively more hands in the west, and the result is prices have been higher because apparently of no real reason. Of course, merchants buy as cheaply, and freight is as cheap, but when you come to buy in the local retail stores, prices are certainly higher in the west than in the east. My own business in the old land made me familiar with articles of produce, and I was appraiser locally for many years and I had much to do with the prices of goods, so I would have very little doubt the wholesale merchants of the west purchase as cheaply as the wholesalers of the east, but when it reaches the consumer, prices are much higher out here.

Mr. LAKE.—You think the middleman makes a higher profit in the west?

Mr. MARCHANT.—Yes, and there seems so much in the cost of handling. The average grocer reckons from 7 p.c. to 10 p.c. as the cost of handling. In a fair sized grocery business they will reckon 10 p.c. as the cost of handling before touching the profit.

Mr. LAKE.—That is due to the cost of wages.

Mr. MARCHANT.—Yes. For instance, I do not know what would be paid to a grocery assistant in the east, but I know a man from Weston-super-Mare who is in a local grocery store here, and the very first day he got $65 a month, and after being there less than twelve months he is now getting $75 a month.

Mr. LAKE.—As a clerk?

Mr. MARCHANT.—Simply as a clerk. Then storage charges are great; wharfage charges and rentals and all adds in the cost to the consumer.

Mr. LAKE.—What profit does the grocer expect to make after all expenses?

Mr. MARCHANT.—He would estimate 15 p.c., and often 20 p.c. gross profits.

Mr. LAKE.—What do you mean by that?

Mr. MARCHANT.—Without deducting the cost of operation.

Mr. LAKE.—You said just now they expect to have to pay 10 p.c. actual handling.

Mr. MARCHANT.—And the balance net profit makes 15 p.c. or 20 p.c. I think if they made a clear 10 p.c. profit they would consider themselves well off.

Mr. LAKE.—You stated just now, Mr. Warwicker, that you found the cost much greater than in Ottawa. About what percentage of difference do you think it would be?

Mr. WARWICKER.—From 40 p.c. to 50 p.c.; it varied, but I think it was at least 40 p.c. or 50 p.c. I was simply astounded to find the difference when I came out here.

Mr. LAKE.—Has the cost increased here during these seven years?

Mr. WARWICKER.—Yes, it has increased all the time year by year. They add on, add on; prices are going up all the time.

Mr. LAKE.—How much greaer is the cost to-day than it was seven years ago here? In the east there has been a great increase, which has been recognized, and I think to a certain extent provided for, in increased salaries. Now I want to find what the increase was here.

Mr. WARWICKER.—Yes, rent and most things have gone up.

Mr. WINSBY.—We have worked it out, and we find from 40 p.c. to 50 p.c. of increase in the last three or four years. We have gone into that year by year for the last three years, and we find it is steadily increasing.

Mr. LAKE.—You think that within the period of three or four years the cost of living here has increased 40 p.c.

Mr. WINSBY.—Yes. Rents have gone up tremendously, at least 100 p.c.

Mr. MARCHANT.—There is no doubt an increase of between 40 p.c. or 50 p.c. within the last five years. I think it would be fair to say that while rents have risen enormously here and in New Westminster, Vancouver, and Nanaimo, yet in the smaller towns it is hardly felt, such as Rossland, Trail, and even Nelson, though Nelson has steadily maintained values. But they have felt the increase of ordinary necessities and conveniences of life all over the province.

Mr. LAKE.—Can I take it that the whole of the representatives of the Civil Service here will back up the statement that within five years the increased cost of commodities which you have to have to live has increased on an average by 40 p.c.?

Mr. MARCHANT.—I would say so.

Mr. BROWN.—I think it is quite possible that the Federation can present you with a statement.

Mr. CALDERWOOD.—One was made up and sent to Ottawa.

Mr. LAKE.—How long ago?

Mr. BROWN.—Less than two years ago.

Mr. LAKE.—It seems to me that would not be of equal value to a statement of present conditions, and I would like to have that.

Mr. BROWN.—It can be brought up to date.

Mr. CALDERWOOD.—Five years ago I had a four-roomed house for $15 a month. It was four blocks up. Now I have for five rooms eight blocks up to pay $45.

Mr. LAKE.—Do you think them of about equal convenience?

Mr. CALDERWOOD.—Well, distance will counterbalance that. I had larger rooms then in the smaller house.

Mr. LAKE.—But the present house is further out, and the difference in rent is as between $15 and $45.

Mr. CALDERWOOD.—Yes. Five years ago, a house I know I rented at $15. The same house now is rented at $30, and we can always find tenants. There is no difference in the house.

Mr. DITCHBURN.—I think you can safely say that rent has increased in Victoria and Vancouver at least 100 p.c. within the last seven or eight years. I held the position

for several years under the Department of Labour, as correspondent here of the *Labour Gazette*, and up to about three years ago the average rental for a house suitable for a working man was put down at $19 per month, and that I thought was a fair valuation, possibly a little bit under. Since then I do not know where you can get a house in Victoria for $19. You cannot get it, that is all about it. Cabins rented to longshore men at $10 a month are now ranging from $25 to $30. Houses that were renting for $15 a month six or seven years ago, are now renting for $25 or $30. If you go back fifteen years ago, houses renting then for $12 or $13 a month have increased over $100. The cost of provisions, according to the Department of Labour, during ten years have increased 37%. That does not take into consideration rent or clothing.

Mr. LAKE.—As to the cost of provisions, that is the department's report?

Mr. DITCHBURN.—That is what it costs the consumer, 37% more than ten years ago; that is the statement published by the Department of Labour. I think the Department of Labour would be a good source from which to obtain information as to the increase in the cost of living. They have published the fact that this is the highest period in the history of Canada, in the question of cost of living. Any information outside that would be subject to the different views of those who gave it, for the Department's information is accurate. You will get it verified at every point you visit.

Mr. MARCHANT.—I think it might be added that at Prince Rupert and the district around there it would be still higher than here, or at Vancouver, and any estimate of additional cost should take into consideration the further additional cost in Northern British Columbia. Of course, in the Yukon all the departments make an extra allowance. But in as far as Prince Rupert is concerned, I can speak for the Customs anyhow, the department has usually added a little more to their salary list than in the southern part of the province.

Mr. LAKE.—I would like to know something about the rates of wages paid to labour locally.

Mr. MCCONNAN.—Men for the city get as much as $6.60 a day. Carpenters get $4.50 and $5, that is genuine carpenters; hammer and saw carpenters probably get $3 as skilled labour. Bricklayers get up to $6.

Mr. LAKE.—The bricklayer is subject to weatner, and cannot work all the time, and that is given as the reason of his very high wages.

Mr. MCCONNAN.—You can't say the same as to all of them. Weather does not cut much figure here. The men on the street get $3 for eight hours' work.

Mr. MARCHANT.—As far as weather is concerned, in this climate bricklayers, or any other outdoor workmen, can work more than in the east.

Mr. LAKE.—What has the increase in wages been?

Mr. BROWN.—Street labourers employed by the municipality have in the last five years risen from $2.50 to $3 a day. Five years ago they got $2.50; then they got $2.75, and then were raised to $3.

Mr. LAKE.—Is that the lowest rate the city pays to any class of labour?

Mr. BROWN.—The minimnm wage for an eight-hour day is $3.

Mr. LAKE.—Had they an eight-hour day five years ago?

Mr. BROWN.—No, it was nine hours until about three years ago.

Mr. MARCHANT.—I was in the council at the time, and know that twelve years ago it was a ten-hour day, and we paid them $2 a day. We paid for many years $2 to the ordinary day-labourer for a ten-hour day. I think it was about ten or twelve years ago it was reduced to a nine-hour day, and the wages rose almost imperceptibly first to $2.25, then to $2.50, and then to $2.75 a day. Then another change took place about three years ago, when the hours of labour went down to eight hours and the rate went up to $3, but the one followed so close on the other that it would be difficult to remem-

ber which happened first. It was within two or three months anyway that wages rose and hours were reduced.

Mr. LAKE.—Do private employers pay the same minimum?

Mr. MARCHANT.—Most of them do. They do as a matter of fact. There is a class of labour, Dagos and Montenegrins and sometimes in certain classes of work, Orientals are employed, where lower rates are paid, but the ordinary white labourer receives in this district $3, and there is abundance of work for him. Labourers could not be got unless at least that wage was paid.

Mr. LAKE.—Are there any unemployed?

Mr. MARCHANT.—There are always the "Weary Willies" and the lazy fellows.

Mr. LAKE.—I do not mean the unemployable. No man who wants work need go without.

Mr. BROWN.—No. The Department of Public Works pays $3 and board, that is for labourers and outside work, if doing it by the day. They get $3 and board when there is a camp established; when there is not they give them $3.50, and the men board themselves, or pay them $3 and they get board. Carpenters are paid $5 a day; bricklayers $6. Those getting $6.60 mentioned by Mr. McConnan, are engaged on the sewer work and work of a dangerous character. They are paid the extra 60 cents on account of that. All other mechanics get high wages; painters $4.50; plasterers $6; plumbers, $5. Those are the wages to the men. If hired by the day by the Government, the party doing the work for the Government sending in his bill for time and materials, as it is called, will charge a percentage on top of that.

Mr. DITCHBURN.—But that is the fair wage, which must be paid to the men under the Fair Wage Act.

Mr. MARCHANT.—If you take school teachers, there has been a very extraordinary and distinct rise, especially in the salaries of male teachers. Mr. Brown and myself have both served for years on the School Board, and in years gone by we could and did hire plenty of male teachers at $50 and $60 a month; these men to-day will be paid around $100 to $125 per month. The minimum man would be getting $100.

Mr. DITCHBURN.—The Provincial government has recently inaugurated a scale of wages for road workers on Vancouver Island of $3 for an eight-hour day on the roads, pick and shovel men on the roads. That obtains throughout the Island.

Mr. LAKE.—In regard to school teachers, is there a higher standard required now-a-days?

Mr. BROWN.—No, I think the standard at present is just about the same as when I was on the Board. I can give one instance of a teacher still in one of our public schools and getting $125 a month, who was getting $52.50 twelve years ago.

Mr. LAKE.—That might be for more efficient service now. He is more experienced.

Mr. BROWN.—He is, no doubt, but it does not explain the difference between the wage paid then and now.

Mr. LAKE.—You do not know the wages paid the young teachers coming into the lower grades?

Mr. BROWN.—I think it is a case of supply and demand, and they cannot get enough teachers.

Mr. MARCHANT.—I think the least they get is $60 a month, most of them $75.

Mr. LAKE.—And they formerly started with $45?

Mr. BROWN.—Yes.

Mr. LAKE.—And now they start at $75?

Mr. MARCHANT.—As a matter of fact, I was the cause of the engagement as teachers of Mr. Leonard Tait, now president of the Conservative Association here and

Mr. Duncan Ross, who has been a member of parliament. One I know started at $50 and the other at $55.

Mr. LAKE.—How many years ago?

Mr. MARCHANT.—Probably fifteen or seventeen years ago. I know these were experienced men at the time, but the rawest recruit from the east can get as many places now starting immediately at $75 or $80. It is largely a question of supply and demand.

Mr. LAKE.—I would like to know something about the various services. I presume there are differences in every branch, and I would like to know what these differences are. First of all, how are the different appointments made, are all made under order in council?

Mr. MCCONNAN.—Some are, and some are not.

Mr. BROWN.—I am, but I do not know about the others in the Public Works Department.

Mr. CALDERWOOD.—In the Customs, clerks when they pass as qualified and after six months are placed on the permanent list by order in council, except preventive officers who are put on without passing, I understand from Mr. McMichael.

Mr. DITCHBURN.—My appointment was by order in council.

Mr. WARWICKER.—It is the same in the Post Office.

Mr. HARRIS.—The same in the Weights and Measures Department; mine was.

Mr. LAKE.—As to removal, what is the custom in that regard?

Mr. BROWN.—I cannot answer as to removal outside Mr. Henderson and myself; others in the architect's branch and telephone service are clerks and stenographers. All the telephone operators and telegraph operators, all the linemen and caretakers and engineers and elevator men are appointed temporarily.

Mr. LAKE.—But as to the men in the regular service?

Mr. BROWN.—It is a grievance on their part that they are not appointed in another way. They would like to be put in a more permanent place and be treated as the rest of the service.

Mr. DALLAIN.—In the Marine and Fisheries Department the officers are all appointed by order in council.

Mr. LAKE.—Then I presume their positions are permanent and would have to be revoked by order in council.

Mr. DALLAIN.—Quite correct.

Mr. O'SULLIVAN.—That applies as well to men in the Revenue Department.

CAPTAIN THOMPSON.—The Inspectors in the Department of Marine and Fisheries are all appointed by Order in Council.

Mr. LAKE.—Next I would like to know as to salaries. Is there a sliding scale in time being? As to the Post Office, how is it?

Mr. WARWICKER.—We are removable by order in council. Appointments are temporary for a time, but we are permanent by order in council; appointed by order in council, and removed by order in council.

Mr. LAKE.—Next I would like to know as to salaries. Is there a sliding scale in all departments? Does a young man join at a certain salary with a scale of increase year by year?

Mr. WARWICKER.—In the Post Office Department the minimum is $500 with an annual increase of $50 until they get to the maximum of their class.

Mr. LAKE.—At the present moment the minimum is $500.

Mr. WARWICKER.—That is at the present, with a provisional allowance in addition of $180 a year.

Mr. LAKE.—At what age do they accept clerks?

Mr. WARWICKER.—They have raised the age limit to 35.

Mr. LAKE.—But what is the youngest a clerk can be appointed?

Mr. WARWICKER.—I think they have clerks 19.

Mr. CALDERWOOD.—The Civil Service is not supposed to appoint under 18 or over 65.

Mr. DALLAIN.—I would like to point out with permission that in some departments the increase is at the rate of $50 and in some it is $100.

Mr. BROWN.—Telephone operators and telegraph operators, caretakers, cleaners, engineers, firemen, are appointed at a stated salary on recommendation of the resident architect or engineer in charge, supported by the endorsation of the member for the district. There is no scale of increases; any increase given is on the recommendation of the officer in charge.

Mr. LAKE.—What do these salaries vary from?

Mr. BROWN.—Caretakers in public buildings are paid $50 a month, and in some instances, quarters and in some not. Cleaners get $65 to $70. As to caretakers' quarters, not all of them get quarters, only in some of the places. In the case where quarters are not provided an allowance is made in lieu of rent for caretakers. Cleaners in a building like this where we employ them are paid $70. a month.

Mr. LAKE.—Does that take all their time?

Mr. BROWN.—All their time. Each man is employed fully. Firemen are paid in the same way. They have to assist in summer when there is no heat on in cleaning the building.

Mr. LAKE.—And elevator men the same, I suppose?

Mr. BROWN.—Yes. Telegraph operators are paid from $55 to $70 except in two instances—in two instances we have one at $85 and one at $90—for a twelve-hour day.

Mr. LAKE.—In all parts of the provinces?

Mr. BROWN.—Our jurisdiction extends over Vancouver Island and part of the mainland. Line repairers get $70 a month and are on tap all the time. They have to go out Sunday and Saturday. Operators have to remain at the Quay till all the business of the day is done, which means a 13-hour day sometimes. Sundays, their service is broken, one in the afternoon and one in the morning. The highest salary is $90 and the lowest is $55. We are not allowed any holidays, and a petition has recently been sent by telegraph operators asking for three weeks on pay, endorsed by Mr. Henderson, and it may go through but there is no regulation allowing holidays to any member of the public works staff.

Mr. LAKE.—Even starting with the resident architect?

Mr. BROWN.—Neither he nor myself. I have had no holidays for twelve years.

Mr. LAKE.—You are entitled to none?

Mr. BROWN.—That is the information I have from Mr. Henderson, that there is no regulation.

Mr. LAKE.—But in practice do you manage to get holidays occasionally?

Mr. BROWN.—I have never had a holiday in twelve years except the statutory holidays, which amounts to about eight days in the year. Outside that, no holidays are granted to the Public Works staff. Mr. Henderson has been in the service 18 years and never had a holiday.

Mr. LAKE.—It seems almost incredible to me. Even in practice you have not been able to get a holiday, nor give holidays to your men.

Mr. BROWN.—Not unless he provides a substitute and pays for him. In the case of telegraph operators we do let them off if they provide a substitute and pay him.

Mr. LAKE.—But not in the office here?

Mr. BROWN.—Not in the office here: no holidays are granted.

Mr. LAKE.—You do not allow a man to go off, even if he pays a substitute.

Mr. BROWN.—We do not ask leave. If I did I would have more to do when I got back. Then it is expert work, and it is difficult to get anybody to take your place.

Mr. DITCHBURN.—In the Department of Indian Affairs they do not pay any higher salary to Indian Agents than when the office was first created thirty years ago. They paid them $100 a month then; they pay them $100 a month now.

Mr. LAKE.—And how in regard to allowances?

Mr. DITCHBURN.—They have their travelling expenses.

Mr. LAKE.—How about rent or house allowance?

Mr. DITCHBURN.—In British Columbia they do not have any. In some cases they get a residence, and in some they do not. I find that in the places where the cost of living is greatest the agent is without a residence, and his living expenses must come to $35 or more a month, more than the man in an isolated place where they get houses. I brought this to the attention of the department and they said they would take it into consideration. During the last few years in British Columbia a great deal of money has been made in land speculation, and it has caused many agents to become restless. I lost one of my best agents in Westminster, and one who was considered by the department to be one of the best British Columbia has ever seen. He resigned because he could make more money outside. I hope the government will see its way to put Indian agents on some fair basis. I have recommended that the man without a residence supplied by the department should have an allowance to make up for it.

Mr. LAKE.—No agents gets more than $100.

Mr. DITCHBURN.—They all get the same, except the one at Telegraph Creek, who gets $50 but he has a residence, and has only a small number of Indians in his agency.

Mr. LAKE.—Have the agents got clerks?

Mr. DITCHBURN.—In some instances they have, and these men get $50 or $60 a month.

Mr. LAKE.—And they find themselves completely?

Mr. DITCHBURN.—Yes. The ration system does not prevail in British Columbi It is a straight salary.

Mr. LAKE.—In regard to holidays, what is the rule in the Indian Department?

Mr. DITCHBURN.—It has not been the practice of Indian Agents to ask for hol days. They generally find their work occupies their whole time. I think they can get them if they applied. One of them recently applied and was granted permission from Ottawa.

Mr. LAKE.—But as far as you know they are not entitled to receive a holiday each year?

Mr. DITCHBURN.—Not unless they find a substitute. I have not gone into the matter, but I know none under me has taken a holiday except the agent at Alert Bay, and he told the department he would not be outside his agency.

Mr. LAKE.—Do they travel considerably?

Mr. DITCHBURN.—Every agent ought to travel over his whole agency at least twice a year, and that may take him in some cases a couple of months each time.

Mr. LAKE.—These are different from the Northwest Agencies in which they have no restricted area.

Mr. DITCHBURN.—Yes, that is so. Here a man could not travel over his agency inside a month—some might do it in a little less, and some could not—and visit all

their agents. A man on the west coast, if he had a good launch, could visit all in two or three weeks.

Mr. LAKE.—Have you anything to say on superannuation?

Mr. DITCHBURN.—I have not studied up what system would be the best, but I think all the civil servants ought to be under some system.

Mr. LAKE.—What would be your opinion as to insisting that every one in the service should be contributing?

Mr. DITCHBURN.—I think it should be made compulsory. I think that the man who has devoted a great deal of his life to the public service, when the time comes for him to retire, he should have something to retire on.

Mr. LAKE.—The Customs Department put in a suggestion that there should be a compulsory age for retirement. Have you anything to say on that?

Mr. DITCHBURN.—I think that would be a good system, because then it would give something for the younger men to look forward to in the way of promotion.

Mr. LAKE.—Are there any employees in the Indian Department who have reached the age when they ought to retire?

Mr. DITCHBURN.—Not in my jurisdiction. The man who cannot get around his agency retires anyway.

Mr. LAKE.—In that department the older a man gets the more valuable he becomes.

Mr. DITCHBURN.—If he is a good agent, the longer he is in the employ of the department the better, because if you have to employ a new man he has much to pick up.

Mr. LAKE.—But your department is exceptional in that respect.

Mr. DITCHBURN.—Yes, I should say that it is exceptional in that respect. Nevertheless an old feeble man as an Indian agent is not much use.

Mr. LAKE.—I suppose in the course of nature some of your agents will be reaching a stage when they will be too feeble for their work, and they will have no retirement funds to look forward to.

Mr. DITCHBURN.—Yes, that is so.

Mr. LAKE.—And what are the facts in regard to the Customs Department?

Mr. MARCHANT.—There appears to be no rule, nor any semblance of a rule as to the salary paid. A man is usually appointed on the temporary staff first, and afterwards promoted upon examination, Civil Service or technical examination, to a permanent position. There seemed to be no rule so far as the west was concerned as to the minimum of salaries that were paid upon appointment. I know, for instance, that in Victoria they did for sometime have appointments which came at $100 a year, and then at $50 a year, but there is this irregularity. We have had them begin at $900, $950, $800, $850, and another at $1,000.

Mr. LAKE.—For no particular reason?

Mr. MARCHANT.—Apparently none as far as we could gauge. I think perhaps there is evidence that the salaries were at one time made $800 to begin, but it was with this view, that we were desirous of obtaining younger men, and it was found that the higher rate of salaries got a class of appointments under political patronage which was undesirable in the Customs Service. We needed young men of fair education, passing through the higher Public Schools, when for the most part the men who tendered their services or desired to be appointed were of the mechanic class, capable, intelligent men, but not suitable for clerical work. Then the suggestion was made of $800, but that was before the cost of living changed. It appears within the past year that perhaps the power of patronage was used to make the salary fit the man rather than the standard set up.

Mr. LAKE.—You say that in the past year or two; do you mean the last two or three years, or under the present government?

Mr. MARCHANT.—I think I would prefer to say the last two or three years. I think it includes both governments. I entirely absolve anyone of a suspicion of political pull, but it is that steady desire to improve one's condition. I see one appointment made at $950, another one a little after at $900, another one at $850 a little previous, and I see another one at $1,000. Well, now I make no objection to the larger amount, because I think it is fair, but I would be glad to see a standard that would obtain through the whole province. I noticed one recently at $1,100, an excellent appointment, but I saw no reason why he should receive $1,100, and another as good $850.

Mr. LAKE.—Were the appointments made at the same time?

Mr. MARCHANT.—Within a few weeks of each other. I feel sometimes that it is irksome to one clerk to feel that one gets more than another, when there is equal service and the appointment at the same time.

Mr. LAKE.—They are appointed at nothing less than $800 now?

Mr. MARCHANT.—Nothing lower.

Mr. LAKE.—Are there any statutory increases?

Mr. MARCHANT.—The question of increase is entirely at the will of the minister. There is no statute, and it is optional, generally upon, presumably the recommendation of the collector of Customs of the port, and optional upon the recommendation of the inspector of Customs. I presume that because each of us is required to send in an annual statement and recommendation, and it is presumable that the heads of departments judge somewhat by these reports. I cannot help feeling that increases should be automatic except on bad report.

Mr. LAKE.—Comparing your scale with what obtains in the east, how do you stand?

Mr. MARCHANT.—Really I see but very little difference. I think perhaps it may be fair to say that the lowest salary may be a little less in the east, but the salaries of the higher officers are no higher. Then by way of illustration here, take Mr. Winsby and myself—I am a predecessor of his as appraiser—and the salary was $1,800 a year perhaps twenty years ago. The revenue was about $600,000 at the time. I was appointed in 1897 at $1,400, and it took nearly ten years before I attained the $1,800. I was appointed five years ago to the position of Inspector, and Mr. Winsby was appointed appraiser at $1,500.

Mr. LAKE.—What was the difference in the revenue at that time?

Mr. MARCHANT.—When I was appointed, the revenue was about $700,000., which had hardly increased for several years, because Vancouver took the surplus, and it hadn't greatly increased when Mr. Winsby was appointed, probably a million. To-day it is over two million dollars, but Mr. Winsby after five years gets $100 less than I got. I am not fighting his battles, but there is that anomaly.

Mr. LAKE.—What is his salary?

Mr. MARCHANT.—$1,700. When I left the position I was receiving $1,800 with a much smaller revenue and much less responsibility.

Mr. LAKE.—You have no scale graded on the amount of revenue?

Mr. MARCHANT.—No.

Mr. LAKE.—An appraiser in the city of Montreal would get the same salary as in the city of Victoria, provided they were both long enough in the service.

Mr. MARCHANT.—The appraiser in the east would get more. At present there are three in Vancouver, and each one is paid higher than Victoria. Several appraisers in the east receive more than the appraiser of Victoria.

Mr. LAKE.—Do they receive more because the revenue was greater?

Mr. MARCHANT.—It does not appear to be that.

Mr. LAKE.—There is no rule.

Mr. MARCHANT.—There appears to be no rule. If there was a rule in regard to revenue or age, or experience or something, it would be a good thing.

Mr. LAKE.—Do you receive any special allowance by living in the west?

Mr. MARCHANT.—Nothing at all. I mentioned this personally to Mr. Paterson some years ago, when an agitation was set up by the Customs staff for a provisional allowance. That is what we asked for, and I was delegated to go down to Ottawa to interview Mr. Paterson, then the Minister of Customs. We tried to induce the minister to give us an additional allowance for the west. Mr. Paterson briefly responded by stating that they had endeavoured to scale salaries somewhat higher in the west than the east. When we get down to details and not generalities, which are glittering, you can pick out instances from the Auditor-General's Report where men in the west got more than the east, but you can show from the same volume that there were cases where the east got more than the west.

Mr. LAKE.—I gather then, that you think there should be a standard throughout the service that you would make it different for the east and the west.

Mr. MARCHANT.—No; I have always maintained there should be a provisional allowance for the west. I drew up an appeal based on the higher cost of living in the west, asking for a provisional allowance from the Lakes to the coast, and it was signed by the whole western representatives of that delegation, and the eastern men at that time coincided with the views. We placed before them similar statements to those made here, and they agreed with them.

Mr. LAKE.—I gather then that your desire is that there should be a regular scale of salaries, with a provisional allowance allotted to different parts of Canada where the scale of living is highest.

Mr. MARCHANT.—That is the idea.

Mr. LAKE.—That provisional allowance would have to be at the discretion of the minister, and varying according to different parts of the Dominion.

Mr. MARCHANT.—Yes.

Mr. LAKE.—At present the increased cost is greater in Victoria than it would be in Winnipeg.

Mr. MARCHANT.—I think to be just there is very little difference between Victoria and Winnipeg, but there would be between Victoria and some small town in British Columbia. It is very cheap in some of them. Take vegetables and groceries not all things they purchase, but things like wood and coal, &c., which they can go and get themselves, I think I may emphasize this point on the question of automatic increase in salaries, that there are many of our men appointed, say a little while ago, at $800 or $900, who would be satisfied if they could only obtain $50 increase a year till they reached the maximum. But it is because there is apparently no hope of this that there is pressure brought on the local collector for that increase, and it has caused—what I deprecate personally—more than one of our officials to use political means to obtain an increase rather than the ordinary and proper means through the department itself. I think it is greatly to be depreciated, but I think you would be very ready to excuse a man if he deemed there was no other way to secure an increase.

Mr. LAKE.—You feel that increases have been granted owing to—

Mr. MARCHANT.—Political pull. I can name them by dozens in this city. If any one needed to cry "peccavi" it is myself, for I have done so myself. It was the only means in time gone by, by which we could get an increase, and it is true at the present time in some cases.

Mr. LAKE.—You think, then, that one of the very greatest benefits which could be gained from regular statutory increases would be the doing away with any attempt to use political pull?

Mr. MARCHANT.—I am sure of it.

Mr. LAKE.—It would be forbidden to use such means.

Mr. MARCHANT.—It is forbidden by the Custom's regulations, and yet in the presence of facts, what is to be done? We all know it is done from east to west, north to south, and in every branch of the service.

Mr. LAKE.—How are you with the holidays?

Mr. MARCHANT.—In the Custom's Department we are allowed three weeks, but the regulations provide that each man can only receive a fortnight holiday at one time. The other week is presumably kept in hand in case a man may be sick.

Mr. LAKE.—What are the hours of labour?

Mr. MARCHANT.—The Customs clerks are held to work from 8 a.m. to 6 p.m. by regulation, but in practice the inside clerks would be working here in Victoria say from 9 to half past four. There are places where they would be able to go in at 9 and leave at 4, but I speak of Victoria. In the Postal Package department they would not leave till half-past five.

Mr. LAKE.—It is governed altogether by contingencies?

Mr. MARCHANT.—Yes. An outside man, a landing waiter or a locker might have to go on at eight, and one perhaps could leave at five, but another might be held till six.

Mr. LAKE.—How do they do with reference to steamers which arrive during the night?

Mr. MARCHANT.—They usually get paid overtime, at the rate of 40c. an hour based on two hours. There is no smaller payment for overtime than 80c. except it occurs immediately after six p.m. or previous to eight a.m. In that case they are allowed overtime but only the actual time. If there is one hour they only get 40c. I would like to mention a little hardship with regard to sub-collectors of out-ports. Usually there is but one man employed at an out-port, at a small place like Ladysmith, Chemainus, or Sidney. If any of them require a holiday they are granted but subject to the provision that they must provide a substitute, and be responsible for all he does. Many stagger at that provision, and decline to take a holiday. I think the collector of a port like Victoria should provide a substitute for his sub-collectors where necessary.

Mr. LAKE.—What do you think in regard to the superannuation question?

Mr. MARCHANT.—The change took place some few years ago from the superannuation system to the retirement system. I was one of those who was affected. At that time I honestly thought that the retirement system would work out well, and changed over from the one to the other, but I have been forced to the conclusion from actual observation and am persuaded that a system of superannuation is far better for the service than any system of retirement. It works out this way. There are men in say the Customs service who have passed the age of usefulness. There is no government would like to dismiss them without any prospect for their old age. I think the outcry would be so great that public opinion would force them to do something for these employees. Any system should take into consideration that at some age a man is past his usefulness, and therefore some system of superannuation should be provided. At present there are many on the retirement fund who cannot obtain any superannuation who would like to do so, but there is no chance of their being changed back to the superannuation system.

Mr. LAKE.—But speaking generally, in your opinion is it advisable that every employee who comes in should contribute to the fund?

Mr. MARCHANT.—Yes.

Mr. LAKE.—And that there should be a compulsory retiring age?

Mr. MARCHANT.—I would strongly approve personally of the tentative Bill presented in December. I think it was altogether just and fair. It provided for compulsory retirement at the age of 70 and optional at 65.

Mr. LAKE.—You think that is right yourself?

Mr. MARCHANT.—Yes, I think compulsory superannuation as at present exists should also be retained. There are many men who at the age of 65 have reached their useful period. I do not think the higher branches of the service so far as the outside service is concerned are ill paid, but I do think the young clerks, landing waiters, and so forth should have a higher maximum, and should have an opportunity of reaching that maximum. If you take the collector, the inspector and the surveyor, the maximums laid down for these officers are very reasonable and fair, especially if they may at any time hope to reach their maximum, but I think the other members of the staff have not sufficient encouragement. In a comparatively small office, if there was a reasonable chance of promotion, many would be content to drudge for many years and hope to reach it. It happens now, that if a higher position is created, the man inside does not get it, but a man outside gets it.

Mr. LAKE.—In your opinion does working in the service disqualify a man from holding the higher position?

Mr. MARCHANT.—In my opinion it is the other way.

Mr. LAKE.—I heard that statement made in the House of Commons by a minister as to the Post Office.

Mr. MARCHANT.—I think the position is an absurd one. The men who have been trained in the work, and know every detail of it are best fitted for advancement. It happens, of course, that a man gets into a rut, but then it is a rut in the duties of his own department.

Mr. LAKE.—You would not say men from seniority should be advanced?

Mr. MARCHANT.—There is much to be said as to that, because if you realize that the goal is superannuation and that it would take a man in an office with a number of employees a long time to advance even seniority would be permitted to have strong weight.

Mr. LAKE.—It should have, but there should be selection, fitness for the position, you think? I think that obtains in every service in the world, and of course ours is modelled on the English service. Their promotions are based on fitness. Any man who has a choice between two equally fit men would probably give it to the senior.

Mr. MARCHANT.—Even then we do not feel that it would be perfectly safe to rest upon the written annual report of the service of this man.

Mr. LAKE.—I think it would be as to fitness, and seniority would have its strong weight. If you have a position to fill it should not be only because a man has been years in the service that he should get the position.

Mr. MARCHANT.—I do not think if it was left to the Civil Service Commission, or some absolutely unbiased and unprejudiced tribunal, it would be sure to work out well. The trouble is it does not usually go to an unprejudiced person for settlement.

Mr. LAKE.—In your opinion, a man should not come in from the outside to fill the highest positions which should go to men in the service, and seniority should have strong weight.

Mr. MARCHANT.—I certainly say so.

Mr. LAKE.—What classes are appointed to the service without examination?

Mr. MARCHANT.—Such positions are Preventive Officers. The Act says that preventive officers may be appointed without examination. I would not say that such

positions as postmasters and inspectors of Customs and collectors in Customs should be eliminated entirely from the exception. I can speak frankly, because I was appointed as appraiser, which is the technical office, and afterwards inspector after ten or twelve years' service, without any examination, save in technical work. As for the preventive officers, it is rather reasonable that these officers should be retained as an exception to the general rule. Unfortunately, the wording of the Act has been used in the Customs rather unjustly, and has allowed men to be put in as preventive officers receiving higher salaries than clerks. Preventive officers in Victoria have received more salary than regular officers.

Mr. LAKE.—How many preventive officers have you here, and what are their salaries?

Mr. MARCHANT.—There are about a dozen, some clerks, some landing waiters, some packers.

Mr. LAKE.—You mean to say they are called preventive officers, but assigned to any duty?

Mr. MARCHANT.—They may be, and have been, assigned to any duty. This is a loophole through which men from the outside get into the service.

Mr. LAKE.—Is there any particular duty assigned to preventive officers by the Statute?

Mr. MARCHANT.—The original use of a preventive officer was to guard against smuggling, as the name signifies. Like the English coast guards they were to guard the ports, shore-line and frontiers, and it was with that idea that many of them were appointed in the early days, but as it was necessary to find means by which some men could be appointed to positions in the service, and as they would never pass any examination, this manner of getting them in was adopted. They were put on the service as preventive officers, and so had no examination to pass.

Mr. LAKE.—And as far as this port is concerned, you have no use for preventive officers?

Mr. MARCHANT.—Not in the immediate limits of the port. There are places on the west coast where a preventive officer would be of use.

Mr. LAKE.—You have some there?

Mr. MARCHANT.—Yes, but they only receive from $120, to $250 a year, partially employed only.

Mr. LAKE.—But the other preventive officers are men receiving much higher salaries than that, and employed regularly.

Mr. MARCHANT.—For instance, one classed as a preventive officer is really chief landing waiter.

Mr. LAKE.—What salary does he get?

Mr. MARCHANT.—$1,500 now.

Mr. LAKE.—In the Civil Service Act there is no such appointment as preventive officer, is there?

Mr. MARCHANT.—No, not in the schedule.

Mr. MILLER.—In the Inland Revenue Department our salaries are a fixture. We are placed on salary when appointed, and after classification. Third class men come in following examination.

Mr. LAKE.—That is the rule followed all through.

Mr. MILLER.—With the exception of deputy collectors, class D, which is open to appointment without examination. We have third class officers, which class comes in from qualifying examinations, and then there are promotion examinations which every officer is entitled to go in for, and he may get second or first class, and salaries in pro-

portion, and he gets his increases. Our salaries are very satisfactory so far as being placed on a general rule.

Mr. LAKE.—Which applies throughout the Dominion.

Mr. MILLER.—Yes. We have a provincial allowance for all parts of British Columbia, based on the salary, from $50 to $150 according to salary. Officers not receiving salaries over $2,000 get $50 provisional allowance, and the smaller salaries get the larger allowance.

Mr. LAKE.—Can you give those as they run?

Mr. MILLER.—The collector here gets $175 a year, and his salary is $1,800. Our salaries are rated according to the rating of the division; they are rated from 1 to 5, according to revenue. The first division is where the revenue $1,000,000 a year or over, and others in proportion. The lowest salary any of our staff get is $600, at which they are appointed and that man gets an allowance of $150. Then the allowance scales down to $50.

Mr. LAKE.—At what rate of salary does the provisional allowance cease?

Mr. MILLER.—At $2,000. A man who gets over that gets no provisional allowance.

Mr. LAKE.—How long ago was that fixed?

Mr. MILLER.—Several years ago, but not fixed until this last year. The cases were special at that time; an officer might receive it, and quite a few did, but others did not. It was not a general rule.

Mr. LAKE.—Does this provisional allowance obtain in all other parts of the west?

Mr. MILLER.—It does in Manitoba, Saskatchewan and Alberta.

Mr. LAKE.—There has been no other scale that you know of?

Mr. MILLER.—No.

Mr. LAKE.—How long have you been in the service?

Mr. MILLER.—Going on thirty years, starting at the bottom of the list, and twenty-three years on the coast, nineteen in Vancouver.

Mr. LAKE.—How about hours in the Inland Revenue department?

Mr. MILLER.—The hours are from eight to six; that is statutory. They may be called on for work at any time between these hours, but the office hours are from nine to four. In factories the hours would be from seven to five, and another batch from eight to six.

Mr. LAKE.—How are holidays arranged for your department?

Mr. MILLER.—We have the statutory three weeks' holidays, and it was at my suggestion that a relieving officer was put on. Many had not been able to take a holiday on account of not being able to get a substitute, but I pressed on the department that it was necessary in the scattered districts like this to allow me to put on a relieving officer who travels around when officers send in application for leave.

Mr. LAKE.—Had you to get an additional man in for that?

Mr. MILLER.—No. On account of the distilleries closing in the summer where we have four men, I used one of them.

Mr. LAKE.—In a case of that sort where work ceases for a time, what do you do with the officers in the ordinary way?

Mr. MILLER.—There is considerable shipping going on all the time. There is probably work for two officers. But they are a special branch. We hardly recognize them as excise officers; they are in charge as distillery collectors.

Mr. LAKE.—What are your views in regard to superannuation?

Mr. MILLER.—I think that the Bill introduced by Senator Power was a very good one. I elected to stay on the old superannuation system, but there are objections to

that which should be rectified, I think. That is where a man is superannuated say this month, and died a few months after. His superannuation lapses, but that is being provided for, I understand. We have been urging for some proportion to be paid to widows and orphans.

Mr. LAKE.—In what way would you propose to have that done?

Mr. MILLER.—We suggested that when a man dies, his widow and orphans should receive 50 p.c. It has been discussed by the department.

Mr. LAKE.—I would like to know your views on superannuation generally.

Mr. MILLER.—I think it would be a good plan to have a superannuation system. The retirement scheme is not feasible out here. Five per cent is deducted from our salaries under that scheme, and here, where living has doubled within the last ten years, it is hard that 5 p.c. is taken, and a man is only allowed 4 p.c. on it. He can do better outside if he is of a saving disposition. At present 2 p.c. is taken under the superannuation system.

Mr. LAKE.—Suppose the fund was made self-supporting, and the man or his representatives entitled to all he had paid in?

Mr. MILLER.—I do not think you will find an officer object to a 5 p.c. deduction, if it provided both for himself and his family. I think there would be no exception taken to it.

Mr. LAKE.—Is there a superannuation system in the provincial Civil Service?

Mr. MILLER.—I do not think they have one yet. The province recognized the increased cost of living, however, by considerably advancing its scale a couple of years ago. I could get that for you.

Mr. MCCONNAN.—In the department of the Receiver-General there is nothing settled as to what rate of salary appointments are made on. It is done principally on recommendations from out here. In the Victoria office there is an accountant and two clerks, and I am increasing the staff on the first of August by another man.

Mr. LAKE.—There is a regular schedule of salaries for the salaries of the assistants of Receiver-General?

Mr. MCCONNAN.—No, I do not think there is. There is for Receiver-Generals; they begin at $2,200 on appointment.

Mr. LAKE.—But for assistants and other officials, you know of no fixed schedule?

Mr. MCCONNAN.—No, I do not. I went in myself as a clerk in 1891 at $550. I was promoted accountant in 1893 at $1,000, and gradually increased till I got $1,400 or $1,500.

Mr. LAKE.—At regular intervals?

Mr. MCCONNAN.—At no regular intervals at all.

Mr. LAKE.—It seems to me that under a system of occasional increases it must be a continual fight to secure an increase.

Mr. MCCONNAN.—That just expresses the case exactly. With the late Chief he would never ask for an increase for any of the staff, and I have sent letters and seen letters sent, and have seen his letters forwarding them without any recommendation. I think there should be a fixed scale on entrance with fixed increases.

Mr. LAKE.—In regard to your own and your clerks' salaries, how do they compare with others in the same department elsewhere?

Mr. MCCONNAN.—Mr. Winsby is receiving the same salary as the accountants in Winnipeg and Halifax; Toronto I am not sure of. I think I received the same as the A. R. G. at Halifax, Charlottetown and St. John, and a little less than Winnipeg, and less than Toronto. Mr. Winsby is getting $1,700, which is his limit as far as I can make out. As far as the salaries in my department are concerned, there is no difference between them here and in eastern Canada.

Mr. LAKE.—Has the principle of provisional allowance been applied in your department?

Mr. MCCONNAN.—Not at all till this last appointment. I suppose it is recognized in some degree in the last two or three appointments of clerks.

Mr. LAKE.—What did they come in at?

Mr. MCCONNAN.—The minister wired to know what I would recommend. They suggested $700 instead of $600 for juniors, and $900 instead of $800 for seniors. I recommended that the sum of $600 should be $800 and instead of $800, $1,000. The new man coming in on the first of August is to be appointed at $800. That is practically allowing that the cost of living here is greater than in the east.

Mr. LAKE.—In regard to the senior appointments you are on the same scale with the east.

Mr. MCCONNAN.—Yes. Mr. Winsby for all we know is at his limit now, judging from the Auditor General's Report.

Mr. LAKE.—You are very strongly of opinion that the junior and senior officers as well should receive more?

Mr. MCCONNAN.—I certainly am. If the cost of living is $200 more to a junior, as this appointment would indicate, certainly it is to the senior men. The senior men in an office have much more calls upon them than the junior. In my position I have to be in a position to afford a certain amount of entertainment in connection with my office. I have to mingle with Bank Managers and that sort of thing, and I cannot hold up my end at present salaries.

Mr. LAKE.—What salaries do Bank Managers here get?

Mr. MCCONNAN.—From $3,000 to $4,000.

Mr. LAKE.—The newly appointed clerks receive over 30 per cent increase over what it would be in the east.

Mr. MCCONNAN.—Thirty three per cent; Mr. Winsby was appointed at $600.

Mr. LAKE.—Do you think there should be a percentage of increase allowed, or a round sum?

Mr. MCCONNAN.—I am not quite prepared to answer that. Twenty-one years ago when I joined the Post Office service there was an allowance of forty per cent to Post Office employees in the west for the difference in living. At that time we were appointed at $400 and forty per cent additional provisional allowance.

Mr. LAKE.—They are not still receiving that?

Mr. MCCONNAN.—No; it was forgotten at one session about 1889 or 1890, and it was cancelled the following year. The clerks in the Winnipeg office walked out for two days, and finally they came to some arrangement by which they got a small allowance, and it has always been a disputed question up to this.

Mr. LAKE.—They do get some slight allowance, or increase over the east.

Mr. MCCONNAN.—Some $180 I think, even up to $1,800 salary paid, but in our department there is nothing of the sort.

Mr. LAKE.—What percentage of increase would you estimate there has been in living in the last five years?

Mr. MCCONNAN.—My bill for groceries five years ago used to run $16 to $18, while now it is nearly double I might say $28 to $32. I am not living any better; I am living worse, as a matter of fact, I am living cheaper. That applies generally, and I find that every item is pretty nearly double in five years, food, clothing, rent and so on. Where I paid $18 or $20 a month for a house about seven years ago, the same house rents now for about $30. It is very often impossible to get a moderate sized house in a convenient district for less than $40.

Mr. LAKE.—I would like to get the comparison of a man who is living in the same house as he was some years ago.

Mr. W. P. WINSBY.—I lived in the same house 12 years ago and I paid $15 a month rental. Then it was raised to $16.50 eight years ago; then raised to $25, and I was paying that till I bought the house a year ago. To-day it is rented for $35.

Mr. LAKE.—You feel you could not pretend to live in the same house you started in, although your salary has increased?

Mr. WINSBY.—That is the position practically. I could not afford to live in the same house now as I did seven years ago.

Mr. MCCONNAN.—There is the question of bond, I would like to mention, which is mixed up somewhat. One department pays the bond, in another it is deducted monthly from the salaries, and in a third department it has to be paid in a lump sum in cash.

Mr. LAKE.—Are these three forms in practice in Victoria?

Mr. MCCONNAN.—Yes. In the Customs Department the bonds are paid by the department; in the Inland Revenue Department there is a deduction monthly, and the Post Office the same system. In the department each collector has to pay his own. It is done by a regular guarantee company, although the government recognize others.

Mr. LAKE.—To what extent are you bonded?

Mr. MCCONNAN.—I pay $20 a year. That covers a bond of $5,000. The rest of the staff are bonded for $1,000 each. Other departments run about $300 or $400 I think.

Mr. LAKE.—Has the system of bonding been in force as long as you remember?

Mr. MCCONNAN.—Yes, I have paid it every year. I know I was bonded when I first entered the Post Office Department, but I don't know whether their juniors have to take a bond or not yet.

Commission adjourned at 12.30.

Afternoon Session.

Mr. A. J. DALLAIN.—In the first place I would like to draw attention to the fact that the light-keepers are not allowed to leave their posts without special permission, and then only by supplying a capable substitute at their own cost. A substitute cannot to be provided at a light-keeper's wages. When it is absolutely necessary for a man to get leave, he finds that he has to pay a substitute more a day, sometimes amounting in the aggregate to more than he gets for the whole quarter. Light-keepers are paid quarterly. At many stations, owing to their isolated position, substitutes cannot be obtained at all, and therefore light keepers at such stations cannot get holidays. This is a very great hardship on them, and also is not good for their health, and because they are away from medical attention, and it is of course bad for the service.

Mr. LAKE.—Are they all supposed to have assistants?

Mr. DALLAIN.—No. Those with a fog horn must have an assistant, but in other cases, with a light only, the keepers are supposed to be alone. The salary is only paid to one man, but where there is a fog horn in connection with the light they must have an assistant. The lighthouses are classified as first order, second order, and so on. The keeper of a first order light, is getting now $1,770 as a maximum per annum. A small order light with very little to do may get as low as $120 per annum. The first order light-keepers have to provide an assistant out of that and that assistant must pass a qualifying examination as engineer that he is able to run a fog horn. Then the salaries at other lights vary. Take a man like the keeper at Cape Mudge, he

gets $570 and he is there the whole time. At the Dryad Point Light, the keeper gets $517.50 per annum paid quarterly.

Mr. LAKE.—They all get rations, I suppose?

Mr. DALLAIN.—No, sir, they have to buy their own. The government supplies all the paint, and everything required outside of provisions. That they have to look after themselves; it is not supplied.

Mr. LAKE.—You said just now there was no leave granted. Have you any instances where that was the case?

Mr. DALLAIN.—I would like to quote one instance. On the Sand Heads Lightship which has just been brought down for repairs, the keeper there for the last eleven years has not had any holidays in that time, and the consequence was that the other day when we went out there to relieve him he was in such a state that he could not shave, nor draw water owing to rheumatism. His assistant had left him, and there he was alone. He was doing the best he could, but he said he could only stand it a few days longer.

Mr. LAKE.—How long since he had been off the ship?

Mr. DALLAIN.—About a fortnight previous to this. He had been alone for two weeks.

Mr. LAKE.—Was he unable to get ashore?

Mr. DALLAIN.—He could not, in the condition he was in. He could not put a boat over the side, nor draw water to wash the deck. He was simply walking on all fours when they got there.

Mr. LAKE.—Ordinarily speaking, would these men be able to go ashore every now and then?

Mr. DALLAIN.—Oh, yes, although it is a five mile row, and then he must be back in time to start his light. Light-keepers are not supposed to leave their station without special permission at any time, not even with an assistant. Where there is an assistant, the light-keeper has to attend to the light, which has to be wound up every half-hour, and watched at night, while the machinery of the fog alarm is, of course, attended to by the assistant.

Mr. LAKE.—How much was this particular man getting?

Mr. DALLAIN.—He was getting $1,470 per annum and he was paying $45 per month to his assistant, besides board.

Mr. LAKE.—He was paying $504 a year and board?

Mr. DALLAIN.—That is right. I know that personally. His assistant left to go out fishing, because he could better himself, and so the keeper was left alone.

Mr. LAKE.—That was against the rule was it?

Mr. DALLAIN.—He was not supposed to have an assistant, but he keeps one.

Mr. LAKE.—When alone he draws the whole salary for himself?

Mr. DALLAIN.—Yes, but he could not possibly get along without an assistant, because there is a fog bell on the ship, and that has to be wound up.

Captain J. A. THOMSON.—Then there is the anchor and cable to be attended to, and sometimes she goes adrift, and they have to make sail to get back to their anchorage.

Mr. LAKE.—Is it an understood thing that he must have an assistant?

Mr. DALLAIN.—I think he must; the fog bell being there, but he could not possibly get a man in a fortnight, because he could not get ashore to get one. As soon as we heard of it by letter, a man was sent up on the *Quadra,* and the keeper taken off. He is now at Harrison Hot Springs.

Mr. LAKE.—At the expense of the department?

Mr. DALLAIN.—No, his own. We have not had any other case of illness like that.

Mr. LAKE.—That work keeps a man the year round, but is more strenuous in the winter than in the summer.

Mr. DALLAIN.—Far worse in winter, because the lights have to be kept going a longer period, and from September on there are more fogs, and the alarm is in operation longer.

Mr. LAKE.—Are you familiar with what the men get under similar conditions in England?

Mr. DALLAIN.—They relieve them every two months or so.

Captain THOMSON.—There are always three men at a light, whether a lighthouse or lightship; they never allow less than three men. There are four men all told, three always on board a ship, so that in the event of anything happening to one man there would be two witnesses. They are two months on and one month off.

Mr. LAKE.—The conditions are different here to eastern Canada, are they not? In eastern Canada, at any rate in Quebec, the lighthouses are not used in winter.

Mr. DALLAIN.—Part of the year they are not, and lightships and buoys are brought in on account of the ice.

Mr. LAKE.—Do you know in regard to the Bay of Fundy and the Atlantic coast generally, what the regulations are?

Mr. DALLAIN.—I suppose it would be about the same as here. If not icebound, they would be the same.

Mr. LAKE.—Do you know what comparison the salaries of light-keepers bear east and west?

Mr. DALLAIN.—In 1908 on order in council was passed and they re-modelled the whole salary list and classified every lighthouse east and west, and on the first of April, 1911, they incerased the wages again. The western lightkeepers got 50 per cent more salary then eastern ones, but that is only since 1908. Prior to that they got the same.

Mr. LAKE.—Do they employ more in the east, or are the regulations the same as to the number?

Mr. DALLAIN.—Exactly the same.

Mr. LAKE.—How about other subordinates in your service?

Mr. DALLAIN.—The clerical staff is classified by order in council of May 11, 1911. Junior clerks, messengers and others commence at $500, rising by annual increments of $50; senior clerks commence at $900, rising by annual increments of $50; accountants begin at $1,500 and go up by $50 a year, and the agent gets $2,800.

Mr. LAKE.—Is any additional allowance made for living in the west?

Mr. DALLAIN.—None at all.

Mr. LAKE.—These figures apply to all parts of the Dominion.

Mr. DALLAIN.—I take it is the same east and west. Prior to this there was no classification at all.

Mr. LAKE.—Have you a large district here to look after?

Mr. DALLAIN.—We have the whole Pacific coast, 500 miles. Along that we have 65 lights, and a thousand buoys, beacons and such like. We have a superintendent of lights who gets $1,600 per annum. Besides that he is also superintendent of lifeboat stations, for which he gets an annual payment of $400. On the outside work we have at the new marine depot at Prince Rupert just started, a sub-agent and an accountant and also a caretaker and there was a clerk. The sub-agent gets $2,200,

the accountant $1,440, and the caretaker $1,000. All the accounts for that sub-agency come through my hands.

Mr. LAKE.—How many other employees have you in the way of labourers?

Mr. DALLAIN.—We hire labourers by the day whenever we need them. We have a lighthouse architect who comes under salary, and he gets $1,200 per annum. We have an engineer on board one of our derrick scows, who is paid $800 per annum. We have a buoy inspector for the flash and gas buoys, gas buoy inspector is his title, who gets $1,080, and an assistant $850. We have a wharfinger at $800, and a night watchman who gets $720. Then under the construction branch we have an engineer who gets $179.17 per month. Then we have an engineer to look after the fog alarm machinery, who goes around and installs it, and sees to repairs. That man gets $1,200 per annum. We have an assistant engineer under the district engineer who gets $1,200.

Mr. LAKE.—In your department you have a regular fixed scale.

Mr. DALLAIN.—Yes, we are all classified, but we get no increase for provisional allowance, nor anything else outside the annual $50 increase. I believe that some departments get an increase of $100 per annum.

Mr. LAKE.—But the whole outside service of the Marine and Fisheries Department is acting under that; everywhere they get that.

Mr. DALLAIN.—Yes, all over the Dominion.

Mr. LAKE.—How about holidays, are you entitled to them?

Mr. DALLAIN.—I never take them except an afternoon here and there. According to the way I read the regulations it is subject to the agent or head. It does not show that we can have holidays, except the head of the branch may grant to each one requesting it a period not exceeding three weeks in each year. I suppose in our department the head would mean the agent.

Mr. LAKE.—In the statute, head of the department means the minister of the Crown for the time being. You have been here for a considerable number of years.

Mr. DALLAIN.—For 27 years.

Mr. LAKE.—As a matter of practice, have you considered yourself and other officers entitled to two weeks' holidays, and have you asked and got them?

Mr. DALLAIN.—We considered we were entitled. I have never asked holidays on my own account, for the reason that once when I took a fortnight, when I got back I had to work that long to get up with my work.

Mr. LAKE.—Have you no assistant?

Mr. DALLAIN.—I had none then.

Mr. LAKE.—If leave were granted now, you could go?

Mr. DALLAIN.—It would not be so bad.

Mr. LAKE.—I take it that any head must find a certain number of questions reserved for his attention when he comes back, but then the routine would be carried on.

Mr. DALLAIN.—To a certain extent it would be.

Mr. LAKE.—Apart from myself, the other officers get their three weeks' leave.

Mr. DALLAIN.—No, none of them have had. They have had two weeks, one now and another later on. Nobody has ever had three weeks in the office. I would like to have it distinctly understood that we are allowed that by law.

Mr. LAKE.—What are your hours?

Mr. DALLAIN.—The office hours are nine to five with an hour for lunch.

Mr. LAKE.—Is there anything you would like to say in regard to superannuation?

Mr. DALLAIN.—I think it would be a good thing, but it is difficult to say what scheme is best.

Mr. LAKE.—In regard to the Civil Service Insurance fund have you or any officials you know taken advantage of it?

Mr. DALLAIN.—I have not myself.

Mr. J. E. MILLER.—Only one or two have done so. They can do as well with outside insurance. I have got the scale of salaries in the public service of the province for comparison. The first class maximum with us is $1,500, while in the provincial service it is $1,800.

Mr. LAKE.—What are the duties of the provincial service compared with yours?

Mr. MILLER.—Ours is technical, while theirs is more routine. Our second class goes up to $1,200, and the provincial to $1,500. The maximum of our third class is $1,000, and in the provincial service it is $1,200. The minimum of our first class is $1,100, compared to $1,584, of our second class $900, as compared with $1,272, and of our third class $600 to the provincial $960. There is no clerkship that does not carry at least $75 a month, and it goes up by $84 a year in the third class to $72 a year in the second class and $60 in the first class.

Mr. LAKE.—What age do they take clerks at?

Mr. MILLER.—Juniors may enter as low as 16, and at 20 they have to go into the third class on examination. In regard to superannuation, they have none, except what arrangement the department makes in individual cases, and in these cases the amount is voted annually by the Legislature. There is nothing in the nature of a contribution from salaries. It is figured that 25 years service entitles a clerk to 50 per cent of his salary on retirement annually.

Mr. LAKE.—What provincial allowance is made in the Inland Revenue Department out here?

Mr. MILLER.—On salaries up to $1,000 there is a provisional allowance of $150 a year, on salaries between $1,000 and $1,500 an allowance of $125, and on salaries between $1,500 and $2,000 an allowance of $100. There is no provisional allowance on salaries over $2,000. Deputy collectors, class 'B,' appointed without examination, get $50 to $75 a year allowance according to the value of the survey.

Captain THOMSON.—I am senior steamboat inspector for the province. In the provincial service the boiler inspectors rank as officers and their salaries increase. They have not the responsibility we have, but to a large extent they are all seagoing engineers. They start at $135 a month, rising by $5 a month yearly till the maximum of $180 is reached.

Mr. LAKE.—In comparison what are the salaries given to your assistants in the same rank?

Captain THOMSON.—They begin at $1,400, and rise to $1,600.

Mr. LAKE.—Is there an annual increment?

Captain THOMSON.—It is more or less annual, a good deal less than more.

Mr. LAKE.—You are not entitled to a regular increase; it is only at the discretion of the department.

Captain THOMSON.—Yes, as recommended by the Chairman.

Mr. LAKE.—You say the provincial inspectors of boilers who have most of them received certificates from you, and have no responsibility, received $1,620 as a minimum, and your inspectors $1,400, and they rise by $60 a year up to $2,160?

Captain THOMPSON.—Yes, while our maximum is $1,600.

Mr. LAKE.—How is in regard to your own salary as compared with men in other parts of Canada?

Captain THOMSON.—They are practically the same. I have $1,800. I do not think any of them have $1,800 in the east; I think the highest is $1,700. My assistants are the same as in the east.

Mr. LAKE.—How long have you been in the service?

Captain THOMSON.—Twenty-eight years. I am the oldest steamboat inspector in the country. The proper reference should be to engineers on steamboats here, who nearly all have been examined and classified with us, and have salaries ranging from $150 to $165 per month the year round, with board and lodging on board. These are chief engineers. The only men who should be compared are the American inspectors on the other side of the line, with whom we work a great deal. The local inspectors of boilers over there get $2,250, and the inspector of hulls $2,250. Ours start at $1,300 and at the present time have $1,550.

Mr. LAKE.—What does their chief inspector get?

Captain THOMSON.—I do not know, but their duties are entirely similar to ours. We are doing exactly the same work, only our examinations are much more definite and elaborate and scientific than theirs are by a long way. It is more a matter of opinion with them.

Mr. LAKE.—As a matter of courtesy you accept each other's inspection certificate?

Captain THOMSON.—Yes, of all vessels over 5 tons propelled other than by sails or oars. They consider the Canadian officials of equal standing with themselves.

Mr. LAKE.—Do you think you have as much work to do as the inspectors on the other side?

Captain THOMSON.—Quite as much. In Seattle there are eight assistant inspectors and two supervising inspectors, and in all British Columbia we have only four besides myself; two in Vancouver and two here. There is a greater clearance in Seattle, of course, but not more than the whole of British Columbia, including the upper country.

Mr. LAKE.—So you manage with four inspectors with a larger number of steamboats than there? You have more to do?

Captain THOMSON.—Yes, you can put it that way.

Mr. LAKE.—In regard to your leave of absence, do you get any holidays?

Captain THOMSON.—No. I may take a Saturday off, but neither my assistants nor myself get any fortnight or three weeks as in some departments. The hull inspector applied last year for a week through the chairman, and he got it.

Mr. LAKE.—Are any of you contributing to the superannuation fund?

Captain THOMSON.—I was, but I changed over to the retirement fund. None of the other officials are, that I know of.

Mr. LAKE.—Do you think it is a good thing?

Captain THOMSON.—Of course it was. We are not in the same position as in the east, where they have nothing to do in the winter. Even in the maritime provinces local boats are tied up as the small harbours are frozen. Here local shipping is continuous. We have really more work in the winter as they endeavour to bring boats in then and have them examined.

Mr. LAKE.—In your opinion there should be a special allowance made to meet the cost of living in the west.

Captain THOMSON.—Most assuredly.

Mr. LAKE.—Do you know from your own experience whether there has been a large increase in the cost of living in recent years.

Captain THOMSON.—Yes, I have the experience of a house holder.

Mr. LAKE.—In your opinion what has been the increase in rents?

Captain THOMSON.—There is a cottage within fifty yards of mine which fifteen years ago rented at $8 a month. Now they get $20 for it, and it is always full.

Mr. LAKE.—These are not merely temporary conditions you think?

Captain THOMSON.—No, it has been gradually going up from fifteen years ago. It is the same with everything. Chinamen's wages have increased 100 p.c. since 1908.

Mr. LAKE.—Have you any idea as to what salaries were paid to the engineers of the largest steamers fifteen years ago?

Captain THOMSON.—There is not much increase in them. They used to run from $125 to $150 twenty years ago. Several of them were getting $150.

Mr. LAKE.—Are they agitating for an increase?

Captain THOMSON.—Yes, they got 10 p.c. increase last year. Some two years ago they were re-graded which resulted in an increase all round. Last year's increase was to all employees.

Mr. W. H. HARRIS.—In the weights and measures inspection branch the salary I think is small to the cost of living. I get $850 with $125 provisional allowance.

Mr. LAKE.—Do you get a regular yearly increment, or is that permanent?

Mr. HARRIS.—I started with $600 on the pay-list, and $100 provisional.

Mr. LAKE.—How long have you held the position?

Mr. HARRIS.—A little over four years.

Mr. LAKE.—When did you increase from $100 to $125 provisional allowance?

Mr. HARRIS.—I think I got the other $25 last December.

Mr. LAKE.—Are there any assistants here?

Mr. HARRIS.—No, but in Nanaimo there is one who is in the Customs and the Inland Revenue as well. He is under the Inland Revenue Department and gets an allowance for looking after weights and measures.

Mr. LAKE.—You are under the head of the Inland Revenue Department?

Mr. HARRIS.—In the weights and measures each portion of the province is divided into divisions with inspection and assistants under him. The inspector for this division is in Vancouver, and I am assistant for this city.

Mr. LAKE.—In your experience how has the cost of living gone up?

Mr. HARRIS.—My experience as a native son is that it is pretty high. Take for instance meat. Lamb and the best meat we would get for 15c. a lb. not much further back than five or six years ago. Now it is 35c.

Mr. LAKE.—Is it not the case that a lot of meat is imported from Australia and New Zealand?

Mr. HARRIS.—No doubt there is.

Mr. LAKE—How is the price of that?

Mr. HARRIS.—I do not buy it, so I do not know, but I think there is very little difference.

Mr. DALLAIN.—In regard to the salary of light-keepers on the American side, and the number of men employed. I have been making some inquiries. At the Cape Flattery light which is a second order light, there are three keepers. We only have two. I cannot give the exact amount of salary, but it is far more than ours. The superintendent of lights knows, but he has not the actual figures handy. They are also provided with a house, light, fuel, uniforms, library, gramaphones and the houses are furnished. We only allow a house, and a cooking stove, since 1908, when the new schedule came into force. Prior to that they were receiving coal, and that was struck out.

Mr. THOMAS CAIRNS (Deputy Postmaster).—The letter carriers are graded and their salaries run $1.25 a day for grade "A," $1.50 for grade "B"; $1.75 for grade "C," $2 for grade "D," and $2.35 a day for grade "E." They serve two years in each grade. In addition they get $15 a month as a provisional allowance, no matter what the grade. That is the difference between the east and west. The salary down there is the same as here.

Mr. LAKE.—Do you consider that a flat provisional allowance is as equitable or more so than a percentage?

Mr. CAIRNS.—I think a flat monthly provisional allowance is the more equitable of the two, and that the provisional allowance should apply to all salaries. In my case I get no provisional allowance at $2,000 as assistant postmaster.

Mr. LAKE.—I understand that all below a certain figure get $180 a year. That to a man receiving $1.25 a day is a much bigger thing than to a man receiving $2,000 a year.

Mr. CAIRNS.—I suppose it is, but the idea is that there should be a provisional allowance to all salaries. Take the Inland Revenue Department, there is a provisional allowance there on all salaries.

Mr. LAKE.—All, or all below a certain figure?

Mr. MCCONNAN.—It ceases at $2,000.

Mr. LAKE.—Are the letter carriers all satisfied?

Mr. CAIRNS.—Yes, they seem to be satisfied now. They stand in a good position.

Mr. LAKE.—As good as the ordinary labourer?

Mr. CAIRNS.—Yes, I think so, especially when they get to grades "D" and "E."

Mr. LAKE.—How long have they to work?

Mr. CAIRNS.—We try to bring them inside eight hours.

Mr. LAKE.—Do they come under the superannuation fund?

Mr. CAIRNS.—No.

Mr. LAKE.—What happens to them? For it is a strenuous life.

Mr. CAIRNS.—It is, and that is a point that is of importance just now. The men down stairs are anxious to go back to it.

Mr. LAKE.—Now in regard to the clerical staff, what salaries do they come in at?

Mr. CAIRNS.—A clerk starts in now at $500, and $180 additional, and gets regular annual increases after he passes the preliminary examinations, not the qualifying, laid down by the Civil Service Commission. He is allowed one year in which to pass the examinations. If he does not, of course he has to step out. When a clerk has been in office for a year you know pretty well whether he should stay in or not. Some good men there on the other hand, find it difficult to study up.

Mr. LAKE.—You find some good men are lost because they cannot pass the examinations?

Mr. CAIRNS.—Yes.

Mr. LAKE.—Do you think the grade of the examination is too high?

Mr. CAIRNS.—I do not know that it is.

Mr. LAKE.—I suppose the best test of that is whether you can get enough men to do your work. Perhaps the higher the qualification the better, if it does not shut out good men.

Mr. CAIRNS.—That is where it interferes.

Mr. LAKE.—Do you get all the clerks you need?

Mr. CAIRNS.—They come and go, but lately there are not so many leaving.

Mr. LAKE.—What is the annual increment?

Mr. CAIRNS.—They get $50 a year up to $800.

Mr. LAKE.—To what positions can they be appointed after that?

Mr. CAIRNS.—They can go on if there are vacancies to $1,200.

Mr. LAKE.—In what division?

Mr. CAIRNS.—Some sorting, registration, city sorting, forwarding.

Mr. LAKE.—What are the positions that carry a higher salary than $800.

Mr. CAIRNS.—In the registered letter and money order branches they would go up. We have two clerks at $1,600, one at $1,250, five at $1,200, five at $900, six at $800, three at $700, one at $704; eight at $600 and ten at $500, so they grade up. Salaries now are much better than ever before.

Mr. LAKE.—How long have you had the provisional allowance?

Mr. CAIRNS.—Since April or May. Previous to that it was the case that the higher the salary the lower the allowance. The trouble was that when a man got up to $800 or $900 provisional allowance was so small that he was down below where he was when he got the increase. Now with $15 a month he is going ahead.

Mr. LAKE.—You think that $15 should apply in all branches?

Mr. CAIRNS.—Yes, to all salaries.

Mr. LAKE.—Do you know what reasons were advanced why those receiving the higher salaries should not receive an allowance?

Mr. CAIRNS.—The principal reason was that the higher the salary the provisional allowance would be hardly noticed.

Mr. LAKE.—Why was that principle adopted?

Mr. CAIRNS.—I do not know, but the matter has been taken up with the department.

Mr. LAKE.—Do all your assistants get a regular amount of leave?

Mr. CAIRNS.—Clerks get two weeks, and carriers and messengers two weeks. That is granted regularly every year, and has been the rule for some considerable time.

Mr. LAKE.—What are the hours they work?

Mr. CAIRNS.—With the clerks as with the carriers, we try to regulate eight hours a day. We try to see that every clerk from the highest to the lowest puts in that time.

Mr. LAKE.—How do you manage that, working night and day?

Mr. CAIRNS.—We bring them on at different hours, so as to make up eight hours. The night staff goes on at six o'clock, and we change them around once every four weeks. There are three different staffs. Some go on in the morning at 6, 7, 8 or 9, according to where they are required most.

Mr. LAKE.—They receive nothing extra for night work?

Mr. CAIRNS.—Yes, and that is the point that creates great dissatisfaction. A man working at night or on Sunday gets no extra pay, and that is very unsatisfactory to him.

Mr. LAKE.—They feel that for the month they are doing night service they should receive extra pay?

Mr. CAIRNS.—Yes, and that those working Sundays should receive extra pay also.

Mr. LAKE.—Does every clerk have to work Sundays once every three months?

Mr. CAIRNS.—No. We have nine clerks in each staff, and they take regular turns. Of course there are some, like those in the registration and general delivery, but the sorting and forwarding and other men, every three months they put in four Sundays, and for that they get no extra pay.

Mr. LAKE.—One month they have to work seven days a week.

Mr. CAIRNS.—Yes. That will eventually be reduced as we get more clerks and train them in sorting. In the past they never stayed long enough to be trained in sortation, and the older men had to do that, and we have not been able to put them on so as to allow the night staff a night off once a week, but we hope to attain to that as we get men trained up.

Mr. LAKE.—You have not been able to keep your officials, that is the reason you give for that.

Mr. CAIRNS.—Well, they are not paid sufficient. As soon as they get anything else to do they drop out. They come in as a sort of temporary affair till they get something better to do.

Mr. LAKE.—That means that you have all the time a number of inefficient clerks on your hands?

Mr. CAIRNS.—Yes.

Mr. LAKE.—What proportion have you?

Mr. CAIRNS.—At present we are short two sorters on each staff, that means six men we should have, and at the rate it is growing, these men should be prepared to undertake any sortation.

Mr. LAKE.—This is on account of your better men having found better places and left the service?

Mr. CAIRNS.—Yes, and these new men coming, until they get posted to handle sortation and distribution, we have to remain short. But we are in hope now with salaries a little better, that the men will remain.

Mr. LAKE.—The increase in the provincial allowance will have that effect, you think?

Mr. CAIRNS.—Yes, and then starting them at $500 is an improvement. With the $180 it is a pretty fair start.

Mr. LAKE.—With regard to superannuation, what are your views?

Mr. CAIRNS.—I am myself under the old superannuation system, but that is a question that the staff downstairs are very anxious to have something done on, and they will bring it before you by deputation.

Mr. LAKE.—Is the provincial allowance that you get the same as is given all through the west?

Mr. CAIRNS.—I think it is the same as at Winnipeg, Regina, Edmonton, and so on. Some years ago the provincial allowance was 40 per cent, and the cost of living is much higher now.

Mr. LAKE.—You were formerly in Winnipeg; what was the allowance then?

Mr. CAIRNS.—In 1881-2-3 it was 40 per cent of their salaries, and in 1885 it was 25 per cent. That applied to all salaries of clerks. When I left they were receiving 25 per cent.

Mr. LAKE.—When you got here were you still receiving that provincial allowance?

Mr. CAIRNS.—I was till I got up to first class clerk and then they cut off the 25 per cent.

Mr. LAKE.—I understand the carriers get a bonus?

Mr. CAIRNS.—Yes, they have their choice of $20 or an extra week's holiday.

Mr. LAKE.—The bonus is an alternative to taking leave.

Mr. CAIRNS.—To taking extra leave. They have two weeks in any case.

Mr. LAKE.—So in the Post Office Department, you consider three weeks leave is worth $60. Under what regulation did this bonus come about?

Mr. CAIRNS.—It was when the carriers were placed under the grade system about seven years ago. If their conduct was reported favourably, they are entitled to $20. If a man decides to take the three weeks we have to report on him. If there are any reports against him he would not get three weeks. If not good enough for the one he would not be good enough for the other.

Mr. LAKE.—As a matter of fact they are only entitled to two weeks?

Mr. CAIRNS.—Yes.

Mr. LAKE.—But to the man well reported on he is given an additional week or the bonus?

Mr. CAIRNS.—Yes.

Mr. LAKE.—Do you pay for the bonds of any of your officials?

Mr. CAIRNS.—We pay it. The letter carriers and clerks are all bonded, and we deduct it from their salary once a year.

Mr. LAKE.—Have any of your officials taken advantage of the Civil Service insurance?

Mr. CAIRNS.—I do not know of any.

Mr. LAKE.—And most of them contribute to the retirement fund?

Mr. CAIRNS.—Yes, most of them.

Mr. LAKE.—There are only a few of you under superannuation?

Mr. CAIRNS.—Only four or five of us.

Mr. LAKE.—Can you give me any idea as to the increase of the cost of living?

Mr. CAIRNS.—I cannot give you much more than what I hear from every side. A $20 house five years ago would rent now for $35. You can hear people talk on every side about the increase.

Mr. LAKE.—Your officers are appointed by order in council and only removable by order in council.

Mr. CAIRNS.—Only by order in council.

Mr. LAKE.—So their position is a secure one?

Mr. CAIRNS.—Yes.

Mr. MARCHANT.—Might I mention in connection with retirement and superannuation that Senator Power's Bill did not provide for the return of any one under the retirement fund into the superannuation system, and it appeals to me that that is rather a pertinent thing. There are many in the service who have entered under the retirement fund, and have been contributing 5 per cent of their salaries since they entered. I am one of these. I have no grievance, but it appeals to me that the system of superannuation is after all the true one, because the viewpoint of the efficiency of the service should be maintained, and so long as the retirement fund is continued there is no inducement for any man to ask to be retired, and any government would be tender about forcing a man out with little to his credit. To my credit there is about $1,800, less than one year's salary, and it is a reasonable point in this connection as to whether those at present under the retirement fund by of course a forfeiture of the amounts to their credit, be permitted to return to the superannuation system. I think a mistake was made in that the government did not take into consideration that they were not contributing anything. Four per cent interest is nothing because here on gilt edge security you can make 6 per cent, and easily 7 per cent to 10 per cent. It was no compensation to give us the government guarantee of 4 per cent when we can get these rates here.

Mr. LAKE.—Your point is that Senator Power's Bill was only a proviso for the future, and did not consider those now in the service.

Mr. MARCHANT.—I liked the Bill, but I do think they might extend it so as to include those now in the service.

Mr. LAKE.—If you are entitled to a superannuation allowance on paying 2 per cent, you think that paying 5 per cent you might be allowed to go back under the old condition?

Mr. MARCHANT.—Yes. Not a few here in the Victoria offices preferred the retirement fund. The way they looked at it was that if they wanted to retire at any time they would be able to obtain the amount paid in plus the 4 per cent.

Mr. CALDERWOOD.—They said that it required more pull to get superannuation than even to get an appointment.

Mr. LAKE.—The old system did not give the civil servant the right to be superannuated.

Mr. CALDERWOOD.—No, it was not a right.

Mr. MARCHANT.—My experience has been that when a man was entitled to superannuation he could get it.

Mr. LAKE.—When do you consider he is entitled?

Mr. MARCHANT.—When he reaches the maximum age of 65 or when his health breaks down.

Mr. LAKE.—What do you think of the proposition that Civil Service insurance should be pretty nearly self-supporting?

Mr. CALDERWOOD.—I have seen an actuary's statement, and I think it would come pretty heavy on the service.

Mr. LAKE.—One provision might be that a man would be entitled to demand superannuation, say after some maximum of service.

Mr. CALDERWOOD.—Senator Power's Bill said that a man might ask for it at 65, but he would have to take it at 70. It would be optional at 65, but compulsory at 70.

Mr. LAKE.—Do you think that man after 35 years' service ought to be entitled to ask for and obtain superannuation?

Mr. MCCONNAN.—I think he should, if he has served faithfully. If he was 35 years in business, the chances are he would be able to retire comfortably.

Mr. LAKE.—You know that a considerable class of people have an objection to the idea of a pension, and I imagine it was in consideration of that, that the late government after coming into power took the step it did. That might be got rid of by making the system self-supporting. I think some of the civil servants at Ottawa would prefer to see it self-supporting, feeling there would be thus no question of charity or obligation. There is no question that if made self-supporting it would remove one of the only objections. I think in regard to future appointments it should be made compulsory that a man should contribute to a superannuation fund of that nature.

Mr. CALDERWOOD.—It is pretty generally assumed that if any superannuation scheme was set going it would have to be general, and all the money now paid in absorbed by it. The way it is now it practically means an insurance remaining there till you leave or die, or are dismissed.

Mr. LAKE.—The old superannuation scheme was faulty in this way, that if you died before or immediately after you got nothing.

Mr. MCCONNAN.—It was an absolute gamble. Another thing is the government insurance. I am on the 2 per cent basis, and if I want to change over I have to change to 3 per cent.

Mr. LAKE.—You have continued to contribute the 2 per cent?

Mr. MCCONNAN.—I did not change.

Mr. LAKE.—They will not allow you to join the Civil Service insurance.

Mr. MCCONNAN.—Not unless they take 1 per cent additional off my salary.

Mr. LAKE.—What more benefit do you get on the superannuation system?

Mr. MCCONNAN.—None. That is one of the peculiarities and that prevents many 2 per cent men from taking out insurance.

Commission adjourned at 5 p.m.

VICTORIA, B.C., THURSDAY, July 25, 1912.

WILLIAM M. GALBRAITH, called and sworn.

By Mr. Lake:

Q. What is your position? A. Fisheries overseer for British Columbia.

Q. When were you appointed? A. On the 14th April, 1897.

Q. Was that the date of your first appointment? A. No, that was June, 1894.

Q. What was the nature of that appointment? A. It was a special appointment as fisheries officer to look into and prosecute all infringements of the law under the instructions of Charles Wilson, K.C., agent of the Minister of Justice at Victoria. I was to take instructions from him.

Q. Do you hold any other position? A. Acting preventive officer for Victoria under the Customs Department.

Q. What was the date of that appointment? A. March 29, 1897.

Q. And what pay do you receive? A. I receive $25 a month from each department making a total of $50 from the two.

Q. What are your duties as preventive officer? A. Keeping the invoices in the Customs Department. I have done nothing else for 14 years.

Q. Are you in charge of the work the whole time? A. Well, the last six months, since the pressure of business I told the Collector of Customs it was impossible for me to keep up the work, and he said he would send a man in during my absence on fishery work.

Q. How often are you absent on fisheries business? A. The Fisheries Department say that as they pay half my salary they demand half my time.

Q. Do you divide your time exactly between them? A. As nearly as I can.

Q. In what way do you do that? A. Well, my principal work should be on the Cowichan river. There are I don't know how many men up and down that stream in railway construction camps, and they dynamite the fish. I am supposed to go up and prevent that, but when my back is turned they are at it again.

Q. Do you spend part of the week there? A. Part of the month.

Q. How do you arrange it? A. I generally fix the first Sunday of the month to go up there, because at the end of each month I have to collect all the fishery statistics for that month and for local consumption, and it takes about three days to do that.

Q. Where do you get that information? A. From the fishers and those connected with the fish trade.

Q. You have to report that? A. Every month.

Q. To the department? A. To the inspector of fisheries at Nanaimo. My weekly report only sets out if the fishing is good, and if not, why not. I have to report weekly and monthly to the Fisheries Department.

Q. And what other officers are there here? A. No other. There is a guardian at Cowichan bay, but no other I know of.

Q. You are directly under the inspector of fisheries at Nanaimo? A. Yes, that is Mr. Taylor.

Q. Has he a staff there? A. He has, but I could not say how many.

Q. Has your work in the Customs Department been the same ever since you were appointed? A. For a year or two I was put on patrol work around the coast, but they found the office staff not sufficient to carry on the work and I was taken off that, and put on clerical work.

Q. You are still holding the position of acting preventive officer for the Pacific coast? A. Yes.

Q. You have been employed continuously since 1897? A. Yes.

Q. Have you ever received an increase in salary? A. No. The only thing is when I first received the appointment I tried to put it up on a good footing. At the

end of each week I simply came in and reported and asked for any instructions. At the end of four weeks I found they hadn't paid me.

Q. Then you were not paid promptly because of the Customs work? A. No, $100 was stopped in 1897.

Q. Then after that you divided your time equally between the two? A. Yes.

Q. And you were paid by each department? A. I have been paid regularly by each department.

Q. During the last fourteen years your duties have been entirely clerical in the Customs Department? A. Entirely.

Q. Spending the other half of the month——A. Doing fisheries work.

Q. Do you get any other remuneration, fees of any kind? A. Not a cent of any description.

Q. You give the whole of your time to the work? A. Yes.

Q. Do you pay your own travelling expenses? A. Yes, but the government reimburse me after a few months. At present they owe me $50.

Q. So you are reimbursed finally? A. Yes, but you understand the position of being $50 out of pocket on a salary of $25 a month. It is not possible to live and keep your house on $50 a month.

Q. Prices of everything are going up, you think? A. They certainly are.

Q. What is your age? A. Sixty-three.

Witness retired.

Captain JOHN A. THOMSON, called and sworn.

By Mr. Lake:

Q. What appointment do you hold? A. I hold the appointment of hull and machinery inspector and measuring surveyor of shipping.

Q. How long have you held the appointment? A. Since June, 1890.

Q. Previous to that what were you doing? A. I was a sea-going engineer, shipbuilder and manager of works.

Q. How many officers have you under you, and what position do they hold? A. Four. Three machinery inspectors and one hull inspector.

Q. What salaries do they receive? A. Two machinery inspectors received each $1,600, one $1,550, and the hull inspector $1,550.

Q. And what salary do you receive yourself? A. $1,800.

Q. What district do you cover? A. The whole of British Columbia from the 49th prarallel to the North Pole, and from the Rocky Mountains to the setting sun.

Q. Both inland waters and deep sea? A. Yes. No one has done any work in the Kootenays except myself. When I went in, in 1890, I had to go through the United States to get there.

Q. During the last year, what was the number of vessels inspected? A. 165 all told.

Q. And the gross tonnage? A. 118,411 tons.

Q. Are dues chargeable? A. Not on Canadian vessels.

Q. But on all foreign vessels? A. All except United States. British vessels and all others have to pay tonnage dues. The United States vessels are free. It is a reciprocal arrangement.

Q. What is the amount of fees collected? A. It is at the rate of 8 cents a gross ton.

Q. Do you find your staff adequate for the work? A. They have all they can do. I think if we had a hull inspector in Vancouver we could manage.

Q. That is in addition to the one you have? A. Yes.

Q. You think they can scarcely keep up, they have as much as they can do? A. They have.

Q. Do they have to work long hours? A. Occasionally. There are these returns to be sent in, and the reports of the fees from engineers.

Q. Do you and all your sub-inspectors have to do a considerable amount of clerical work as well as your regular duties? A. Yes. If there was any way of getting help on the clerical work—it is doubtful if they could—it would be better. It keeps a man in the office too much. Our instructions are at all times in going around to go aboard ships and see they are kept up to certificate.

Q. So you feel you are unable to do as much as you could on account of the lack of clerical assistants who could keep the reports for you? A. Yes, and attend to letters or callers when we are out of the office.

Q. That would add to the efficiency of the service here, would it? A. Unquestionably.

Q. In addition to steamer inspection you attend to some examinations? A. Yes, of engineers. Then we have a kind of general supervision over the government steamers, and frequently we have specifications and reports to get out for them, which naturally keeps us back.

Q. Is there anything else you think of which would tend to economy and efficiency of the service out here? A. There is one point I have to impress, and that is our responsibility here where we are so far from advice that we are called upon to act much on our own responsibility, as compared with the man who can run up to Ottawa in twelve hours.

Q. Are there any complaints at the present time from the public as to delays in inspection? A. None.

Q. You have been able to give efficient service? A. Yes. I have never had any complaints of any sort during my service.

Q. You are under the Marine Department? A. Under the Chairman of the Board, through the Deputy.

Q. Are you answerable to the agent of the Marine Department here? A. No, except to give advice and assistance to him when requested.

Witness retired.

F. Napier Denison, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am assistant in the Meteorological Office here.

Q. How long have you held the position? A. I have been in the service for 30 years, since 1882, and I came here in 1898.

Q. What salary do you receive? A. $1,500.

Q. Is that better than you would be receiving in Toronto? A. That I cannot say. The cost of living here is something frightful, and it takes every cent to carry on. Where the shoe pinches is in the carrying on of scientific work for which I have to pay myself.

Q. Do you think the position is paid more highly here than in the east? A. No, I do not think so.

Q. It is paid on about the same scale? A. Yes. This is the only office outside Toronto where we carry on weather forecasting and special work. That is why I was sent out here in 1898, to start the weather forecasting and organize a meteorological office. Mr. Baynes Reed, who is the superintendent here was then observer at Esquimalt. The director decided to start a fully equipped office here, and I was sent out for that purpose. I am also conducting seismological investigations here.

Q. You are not making any complaint yourself? A. None whatever.

Q. Except that you feel salaries out here are not sufficient owing to the extreme cost of living? A. So long as I hold the present position I do not complain because

I do not think it is right. On the point of cost of living of course there is no question that salaries all round should be higher. What I want to speak about is the junior in our office. Mr. Reed would have seen you about it if he had been in town to-day. For some years we have had young fellows come in at $40 a month and a room in the building.

Q. At what age do they come in? A. About 17, or after they have left school.

Q. Do you pick out one for yourself? A. Yes, we are allowed to pick out some one whom we think has particular abilities for the work. In the last case the lad was with us two years, with an understanding that he would get an increase after he was trained. His second year closed in June, but none was forthcoming. The result was he sent in his resignation, and took another position at a much better salary, and we were at a loss of the two years' training we had given him.

Q. Have you had similar experience before? A. Yes, we have had two others before, who have had to leave because they were not getting enough.

Q. They were getting $40 a month and room? A. Yes, and could not get any more.

Q. What are you doing now? A. I got hold of a most excellent young fellow, and I am pressing on the director that he is to receive at least $50 and room.

Q. Has the department consented to that? A. I cannot say they have. Mr. Stupart was out here a short time ago, and has seen the situation. He thinks that $40 is enough, and he says they do the same in Greenwich where they let them come and go. But this is a different matter here, because when we lose a boy the work of the office comes on me, that is the clerical work, and I have to teach the new boy to the detriment of my own scientific duties.

Q. Do you require them in the service in later life? A. Yes, we have use for them. This is one of the government services in which our whole life is devoted to the work, and my ambition is to get into the service a young fellow so that when the opportunity comes he can be promoted, and the service benefited.

Q. Can you say that the fact of having to have new men is for the time detrimental to the service? A. Most detrimental and doubles my work.

Q. But does it affect the public? A. I should say so. Our service is different from others. There is a wonderful future for the office, and the chance for a young man who comes in and devotes himself to the work.

Q. Have you clerical work for your assistant? A. There is clerical work in the preparation of the weather charts, and of the notices which we have to send out to different points, and besides that there is the scientific work, observation work.

Q. What are his hours? A. The first observation is made at 4.30 a.m. summer and winter through all sorts of weather. That is why he has a room in the building. He takes the observations, converts them into cypher, and telegraphs them—he has to be a telegrapher—to Toronto and Portland, Oregon.

Q. He has to be a telegrapher? A. Yes. He must understand telegraphy and typewriting, be proficient in mathematics as well as generally informed. At 9.30 he enters on the weather chart the information which we get by wire from other centres on the continent, and types copies of the weather bulletins. Then there is regular clerical work, such as abstracts, to be made.

Q. Is there accounting to be done? A. Yes, but that is done by Mr. Baynes Reed. From 9 to 12 and from 1 to 3.30 are the assistant's hours, and then he is free until 4.30 next morning.

Q. Are there other observations? A. At noon and 4.30 p.m., which Mr. Reed or I take.

Witness retired.

JOHN C. NEWBURY, called and sworn.

By Mr. Lake:

Q. What is your position? A. Collector of Customs at the Port of Victoria.

Q. When did you first enter the service? A. April 1, 1883.

Q. And how long have you held the present position? A. As acting collector, since January, 1904, on the death of Mr. Milne. My appointment was made permanent about a year later, February, 1905.

Q. Have you an assistant? A. No.

Q. What are the employees on your staff? Their rank and average rate of salary in a general way? A. Twenty permanent, with twenty-one on the temporary list, and one taken on this month. I have immediately under me the surveyor of customs at a salary of $2,200. There is a chief clerk at $1,800, an appraiser at $1,700, landing waiters, clerks, preventive officers, lockers, gaugers at salaries ranging from $850 to $1,400.

Q. Then you have some acting preventive officers? A. That means they are not on the staff permanently.

Q. At what salary? A. $850 is the lowest.

Q. Are there any exceptions? A. One is employed half time, and another is the lady searcher at $50 a month. She goes when she is wanted, not like the men.

Q. But she may be wanted at any hour? A. Yes.

Q. Do you consider she is adequately paid? A. I won't say as to that. A new condition arose with the early morning boat, and it seemed to me fair that she should get something for it, but the ruling of the department is that $50 is for the whole time. I may call on the staff whenever I want to.

Q. What are the hours of night service here? A. She is there from 2.30 to 5 examining passengers and packages; there is a big tourist traffic this time of the year, and that is the time of day it is handled here.

Q You find her work satisfactory? A. Yes, and a saving to the government. We were continually hearing complaints from merchants here of people doing their week-end shopping in Seattle, but we don't now.

Q. What is the nature of the work of the preventive officers? A. There are two kinds of preventive officers. There is one kind who attends to the entire business of an out station, such as San Juan, Clayoquot, and Quatsino, where there is very little business.

Q. They act as a sort of sub-collector? A. They are in entire charge of the work at stations where there is little Customs business, Port Renfrew, Clayoquot, Quatsino and Sidney.

Q. Each carried on by one man alone? A. And we call them preventive officers.

Q. At what salary? A. It is nominal, $250, $200, $120. They may be postmasters or storekeepers, or anyway have some other business.

Q. Have you any other out-stations under your control? A. We have three, and one outport, Sydney, where there is one man who is a sub-collector and is paid $50 a month. I believe he is postmaster.

Q. Are there any other preventive officers? A. There is another class which we call post office collecting stations, to collect the duty on post office parcels for the accommodation of settlers. We have three of them, Duncan, Banfield, and Ganges. These men are postmasters and receive a special fee from the Customs Department for collecting the duty, 10 p.c.

Q. You employ some preventive officers at headquarters? A. Yes.

Q. In what class of duties are they employed? A. It seems to be a term under which the department makes temporary appointments until they are shaken into place. They may be eventually clerks or something else.

Q. Have they to pass an examination to become preventive officers? A. No.

Q. And some of them are performing other duties than those of a preventive officer? A. Yes, they may be permanently employed as clerks or landing waiters.

Q. So a man may be doing his work as a clerk, as a preventive officer who has entered the service without examination? A. It is a sort of suspense account, while he is waiting a place in the service. They come in without any examination.

Q. Have you any who have come in, in that way, doing the same work as men who had to pass the examination? A. They can be permanently appointed as preventive officer. They come in as acting, but they may be made preventive officers without examination, and go on the staff.

Q. But while called preventive officers there is no specific duty attached to that class of officer? A. No. We may put them where we like. We have one with us twenty years at $1,400, who is chief landing waiter. He is a good man, and does his duty satisfactorily to me. Another acts as chief checker, and gets $1,150 after eight years in the service. He is a good man as checking officer.

Q. You could not appoint them under the Act, but the Act is got around by appointing them as preventive officers? A. Yes, that is what happens.

Q. Have you any men doing the work of preventive officers? I suppose the original preventive officer was supposed to prevent smuggling? A. I never traced it up. It seems to be a Customs office without anything specific about it. It seems to me the first hole made to get around the Act, as he has not to pass an examination.

Q. What special officers have you to stop small boat smuggling? A. No one. We have an officer at every dock, but we have no night patrol. There is a patrol launch, the *Winimac,* of 35 horse-power, with two men. $375, and everything found, making weekly reports. She runs from here to Nanaimo, where the coast of the two countries is contiguous. She does excellent preventive work.

Q. How many of your officers are under the superannuation system? A. Only three.

Q. The remainder of the 21 are under the retirement system? A. Yes.

Q. None of them avail themselves apparently of the insurance fund. A. Not one.

Q. About what is the amount of business done under your jurisdiction? A. About two million dollars revenue in the last fiscal year. It is at the rate of two millions and a half now. It has doubled in the last two years.

Q. Five years ago what was the revenue? A. A little over a million. It stood still for a few years, and then began rapidly to advance.

Q. What is the expenditure of your department? A. About $4,000 a month. I think $50,000 should cover everything.

Q. Do you consider your staff sufficient to give good service to the public? A. Yes, unless the department asks for more details in the returns.

Q. Have you any particular complaint from the public as to the service rendered? A. None.

Q. Do you not consider there are any improvements you could have with a larger staff or accommodation? A. There is room for betterment in the accommodation. We are cramped. There is a shortage of space, and I have asked for more within the last two months.

Q. That is for the clerical work, but for the outside work? A. I have asked for a man outside; I asked for it as quickly as needed, and the department has never refused.

Q. Do you get your office supplies locally or from Ottawa? A. On requisition from the Department of Stationery from Ottawa.

Q. Direct from the Printing Bureau or through the department? A. Most of it through the department, and a little direct. All the ordering is done through the department.

Q. Is the quality good? A. Occasionally a complaint, but I cannot say there is a grievance.

Q. How in regard to office furniture? A. We get it on requisition through the Public Works Department.

Q. Have you any suggestions to offer as to efficiency and economy? A. I firmly think there should be a qualification for entering into the service.

Q. For all persons entering into the service? A. Yes, for all city officers anyway. I do not mean out stations, but in city offices I think there should be a qualification.

Q. And no man accepted who does not pass? You consider that there should be an open and competitive examination? A. As long as it is strict and impartial. I do not know that we care.

Q. All you want is qualified men? A. Qualified men who can do the work.

Q. Occasionally you have not had that? A. More than occasionally we get men who are not up to the standard. You ask me about efficiency and economy, and you cannot have it when you have men who have never been to school, and cannot read or make a report. There should be a standard of qualification, and below that no one allowed to enter.

Q. What age limit would you suggest? A. The department makes 36 now as the maximum for coming in.

Q. And as to minimum? A. I would not like to see a greater age. I think it should come down, except in special cases. There are few special cases where this age limit won't work, except expert officers and appraisers.

Q. What are your views about superannuation? A. I do not think you can have efficiency unless the men come in as qualified when they do come in, and unless they have something to spur them on when in, or create esprit de corps.

Q. Have you found that promotion in the Port of Victoria is blocked by having to keep on men? A. Yes, I have men on now who ought not to be on.

Q. Who are really too old for their work? A. Yes. There is nothing I can urge against them but that they are too old and there is no way of getting rid of them. Very few collectors will report on an officer that he is too old, and that he ought to go.

Q. What are the ages of your oldest men? A. One of them must be 80, and he sticks at it, although he does not do as well as a younger man.

Q. Not to your satisfaction? A. No.

Q. In regard to the majority of the employees, what would the conditions be if there is no superannuation? A. We will always be encumbered by men who are too old and who are keeping back the efficiency of their office.

Q. Are you in favour of having an age limit at which retirement must take place? A. Yes, and it should act automatically. The way things are now they are not satisfactory, and do not make for efficiency.

Q. What is your opinion as to the increase in the cost of living? A. There has certainly been a great increase. I am not prepared to give figures, but I am sure that within the last few years there has been a great increase.

Q. Is Victoria more expensive than eastern Canada? A. There is an idea that it is, but I have not travelled enough lately to be able to speak.

Q. Your staff get a provisional allowance? A. Not under that name. The department has a rule that the minimum is higher than in the east. They are paying clerks, lockers and so on more out here. It is said to be about $100 more. Collectors get the same at Victoria and Vancouver as at Halifax and St. John.

Q. The salaries you have given do not represent the whole amount received? A. A certain number of officers work overtime and work nights and receive 40c. an hour for that.

Q. Does that amount to a very considerable sum? A. Some receive as high as $25 and $30 a month. It varies from $10 to $35.

Q. If you send a man out on overtime he gets a minimum does he not? A. Yes, 80c. for two hours, even if he is only out one hour. The outside officer assigned to a

certain clock has the first chance, but sometimes we have to send out men from the clerical staff when there are two or three steamers in. There is a maximum that the department allows. No man can exceed two hours overtime in a day. The whole of the Sunday or holiday has to be paid for at overtime rate.

Witness retired.

R. C. HOWELL, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am gauger at the port, and I have occupied the position for five years past. Prior to that we had no gauger. The work was done as far as possible by one of the appraisers. There was very little distillation, whereas Chinese merchandise in the way of importations of liquors, were brought in under two classifications, liquors and wines.

Q. Did you come in then? A. No, I have been in the service for thirteen years as landing waiter. I had studied for this position as I was told the business was growing, and such an office would become necessary. Studying it in Vancouver, I saw that much revenue was lost. The peculiarity here is that Chinese importations form a large part and their liquors are peculiar in that no two consignments are alike. Some might be wine and pay duty under the ad valorem scale. The balance is medicine and liquors, very strong, stronger than bottled liquor used in Canada, and therefore requiring a great deal of work to determine what duty should be collected from them.

Q. What is the average revenue collected now on Chinese liquor? A. I have not figured it up, but it would be enormous. I merely issue the certificates on which the goods are cleared. I feel this way, that the important work here has not been properly recognized by the two officers whose place it is to be acquainted with it. The collector is not acquainted with the work.

Q. You feel you are not receiving sufficient salary? A. That is it in part. Then I would like to have the privilege of communicating on technical matters with the chief gauger at Ottawa, so as to get light, whereas it has now to go through the collector and through the chief there, which is not always satisfactory. I would like to get in touch by letter with the chief gauger.

Q. So far as you know none of the gaugers do? A. So far as I know.

Q. Is there anything else you desire to say? A. Well, whereas carpenters receive a minimum of $4 a day, and whereas no one understands the Chinese work as I do, knowing the Chinese names and having arranged a scale so I can fix the duties, by which means a large amount of revenue has been saved, I think the position should be better paid.

Q. What is your salary? A. I have been receiving $1,200 for the last year, and was raised $100. I have been getting $100 or $150 overtime a year.

Q. You are in the permanent service? A. Oh yes. I passed the examination.

Q. Other gaugers have not to deal with the Oriental feature of the importations? A. No, and that is most important.

Q. What are your views on superannuation? A. I would like to see a superannuation arrangement and old age retirement on it.

Q. Do you assent to the proposition that there should be compulsory contribution to the superannuation fund by all officers? A. Yes, but under the present arrangement the government has taken our money and we are getting 4% on it, when we can make more here.

Q. You would willingly come under it? A. I would. I would also like to see the outside service brought under the Civil Service Act.

Witness retired.

WILLIAM MARCHANT, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am inspector of Customs.

Q. When were you appointed here to the position? A. In June, 1907.

Q. When were you first appointed in the Government service? A. In January, 1897, as appraiser of Customs.

Q. I would like to have the number and rank of the officials under you, what their salaries are, and so on. A. As a matter of fact I might here interpolate that the point has been raised whether an inspector is really a supervising officer. We have no fixed statement of the authority or power of an inspector. I think it is more assumed than actually granted. As to staff, myself personally I have none. My inspection district involves the ports of Victoria, Nanaimo, Prince Rupert, Dawson, and Whitehorse. These are the chief ports. Then there are a number of outports and preventive stations, and Customs collecting stations under the Post Office, all of which I inspect. There are under my inspection five ports, thirteen outports, ten preventive stations, and in addition there are some small Customs collecting stations that are combined with post offices.

Q. Which of these five ports is under a collector or sub-collector, and how do their salaries range? A. A port is always under a collector. The highest paid is Victoria, with $4,000 a year. Dawson is next, but it is peculiar, as there is a large living allowance. The collector receives a salary of $2,750, and a living allowance of $1,500. Combined it would appear to be more than Victoria. At Whitehorse the salary is $2,250 with a living allowance of $1,500. Prince Rupert has a salary of $2,200. At Nanaimo there is an increase of salary this year, and I think it is now $2,000.

Q. Do you consider it costs $1,500 more to live at Whitehorse than at Prince Rupert A. Perhaps not as between these two, but it would as between Whitehorse and Victoria, and the same applies to Dawson.

Q. You think they are both very much more expensive to live in than here? A. Yes, I know it to be so. I lived six months in Dawson, and received a living allowance. I was there as lately as six months ago on an inspection trip. Proportionately, the cost does not seem as much as here, because the chief cost is high freight rates, storage, and the natural monopolies that arise on account of that.

Q. Can you tell me about what the revenue at the port of Dawson is? A. It is a steadily decreasing revenue. I think it is now about $180,000.

Q. What officials are there at these various ports? A. In the port of Dawson, in addition to the collector, there would be three regularly employed, and two employed during the summer, and at Forty Mile sub-port there is one regularly employed official as sub-collector. Salaries run from $1,800 and $1,500 allowance to $1,200 and $1,500 allowance, and one $2,400 without allowance. For temporary officials $200 a month is about the fair standard. At Whitehorse there are, including two outports, five officials. At Prince Rupert there are six permanent officials, and at Nanaimo, and including the outports, eight permanent officials.

Q. Something about 65 altogether permanently employed? In addition you have a number of small stations? A. Preventive stations, permanent enough but only receiving a nominal salary o $200 a year or so.

Q. These are men who have other businesses of their own? A. Yes. For instance at Quatsino we pay $120 and at Clayoquot $250. That is the style of them.

Q. There is another inspector in British Columbia who takes in the rest of the province? A. Yes, with headquarters at Vancouver.

Q. What is the amount of business done in your inspectorate? A. There is about $2,000,000 of collections at Victoria, and Prince Rupert a little over $100,000, Nanaimo about $130,000, Dawson about $180,000, and Whitehorse about $50,000.

Q. How would that compare with the business of five years ago? A. Victoria has a little over double. I think five years it would be about $700,000 or $800,000. Dawson is decreasing. It went up once to half a million. Whitehorse has decreased. Nanaimo has steadily increased, but comparatively only a small increase, not more than 20%. Prince Rupert has increased, and will increase in all probability.

Q. You get nothing extra beyond your salary? A. No, except my travelling expenses.

Q. You find no complaints from the public as to the service given? A. No, we have on the whole a splendid staff of officers, and more complaints are likely to arise from petty things by persons who do not understand business.

Q. Have you any suggestions to offer as to increase efficiency and economy of the service? A. There are two things I would like to say in that regard. First, I do not think any one should be added to the staff of any port without reference to the inspector. A collector is very often more or less circumscribed in his vision. I know more than once requests have been made for additional assistance without any need, and they have been granted, and while perhaps they have been justified afterwards, there was no need at the immediate present. Sometimes it happens that the very opposite takes place, that a collector is very unwilling to ask for necessary assistance. In a large port like Victoria, say, the collector is more or less circumscribed in his work; he is obliged to sit inside in his office and does not know or see the work outside. I would like to see the duties of the inspector more clearly defined as a supervising officer, and that to a greater extent a reference should be made to him before any increase or decrease of staff should be made.

Q. You mean that as a matter of fact it is not the rule to ask your opinion when increases or decreases are made of the staff at the various ports? A. Yes. That is particularly true of the larger ports, such as Victoria or Vancouver. At the smaller ports there is a greater desire to obtain opinion. For instance at Nanaimo they were struggling along with an insufficient staff, and I advised the collector to have it increased. But he was a little unwilling. He would not be so to-day, but I saw the work was not being met because of the need of another man.

Q. Don't you think that is within the scope of your own duty? A. Yes, but it seems as if the department invariably waits for a request from the collector. The inspector at least is far more likely to have an unprejudiced and wider vision than the collector. I think this is also true both in regard to the duties and salaries. I have known—I speak of absolute knowledge—where collectors have had local prejudices, and allowed these to sway them. I have known too, the department to waive them aside. I have thought that any report going forward concerning efficiency and status and suggesting increases should be a joint report of a collector and inspector.

Q. Or that at any rate all such suggestions should be referred to the opinion of the inspector? A. Yes.

Q. You say there is some question as to the standing of the inspector as a supervising officer? A I do not think there has ever been a clearly defined line of duty for the various officers.

Q. Take Whitehorse, would it be possible to have that port done away with? A. I took that into serious consideration last year. The trouble is that it is only for a short period in the summer time when the staff is needed. In winter one man can do all there is to do, but in the summer, three are fully employed. This is not so strongly accentuated at Dawson. At the British Columbia ports the business is the same all the year round. If I had control over them I should only maintain two men at Dawson and one at Whitehorse, and others temporarily. The only dis-

advantage, however, is that it is difficult to obtain the men, but with two men at each place I am fully convinced there is no need to maintain more permanent men.

Q. You think all permanent appointments should be after regular examination? A. All permanent appointments. There is this disadvantage about the Customs Service. We are sometimes obliged to take men on without passing, but it should be on condition that they must pass, and if not, it would be a sine qua non they must go.

Witness retired.

The Commission adjourned.

Afternoon Session.

Thursday, July 25, 1912.

The Commission was waited upon by a deputation representing the letter carriers and clerks employed in the Victoria Post Office, consisting of: Christian Sivertz, H. Beverley, A. J. Bird, and W. C. Cave, letter carriers; F D. Shaver, John B. Sinclair, B. F. Sheppard, and E. H. Blackmore, postal clerks.

Christian Sivertz, Sworn:

By Mr. Lake:

Q. How many years have you been in the service? A. I have been a letter carrier for over eleven years in this city.

Q. You hand in a memorial on behalf of the letter carriers who have met together, I suppose, and considered this matter? A. Yes, we have. If you will permit me, we did not know what the nature of the interview would be, and as there might only be limited opportunity we put down this statement of the subjects we considered of more importance to us than others. With respect to increase in pay, I would like to point out that the last increase in pay granted by the department was dated April 1, 1909, a little over three years ago, and the carriers were given 50c. a day all round for all grades increase. The cost of living, as is well known, has increased throughout the whole Dominion, and perhaps at a higher percentage in the west than in the east. At any rate, we feel very much the increased cost of living and what was three years ago a satisfactory adjustment between the cost of living and the salaries we got, the increased rate of cost has thrown all that out of balance, and the wages we are receiving now as adjusted three years ago are not adequate to the cost of living. For this reason we ask the department to consider our request favourably and grant an increase equivalent to 50c a day.

Q. You receive that rate per day only when on duty, and if you are absent from duty you receive no pay? A. Yes. In proof of the inadequacy of pay local common labour is paid on the street $3 for eight hours.

Q. What are the hours of work for the letter carriers? A. The department has no definite hours, but the Postmaster General and the Deputy Postmaster General have at different times stated that it was the desire of the department to so adjust the work as to be as near eight hours as convenient. The hours vary in consequence. One part of the city may build up more than another, and as we are in a state of transition what is vacant space one year is built up with residences or places of business another, so the hours vary a great deal unless there is a constant study of it and readjustment of the work.

Q. I suppose that readjustment goes on periodically, though? A. Yes, periodically.

Q. Can you say the letter carriers always do at least their eight hours day or have to do more? A. I cannot say whether any man has to do less than eight hours.

There may be days when the mail is light or does not come through that it may fall below eight hours, but there are many who work more.

Q. Habitually? A. Yes, but I have not made out a list of the exact time from the attendance book.

Q. No extra pay is allowed for overtime? A. None whatever, sir. With respect to the pay I wish to point out a further anomaly in this. The statutory pay now is $1.75 per day in Grade A, besides the $15 per month provisional allowance in the west. The department itself allows the temporary help taken in to the Post Office for $2.50 a day. A case in point occurred a few days ago where one of the carriers during his probationary period was earning $2.50 as temporary help. After he received his appointment his pay fell down to approximately $2.25. I wish to point that out that the statutory pay has been remaining stationary since three years ago, while the local pay has risen above that. The carriers' pay in grades A. B. and C. is lower than is paid for ordinary labour in the city.

Q What do you get for uniforms? A. We receive a uniform twice a year, a tunic and pants and pair of shoes every six months. The best soles last anywhere from a month to six weeks, but the uppers will last their six months.

Q. So practically you need more boots even if you do not go through the uniform? A. Not the soles, the tops may wear out several soles, but they very seldom last out a season. The carriers have asked me to draw attention to the question of annual leave. The carriers are organized into an association, and act very much in concert, knowing how others are doing elsewhere. We asked the department for three weeks instead of the present two weeks allowed as annual leave. We believe we are entitled to it, that it would be to our benefit to get it, that it would not be too much, that while we are selfish in a way, it would be of benefit to the service, as it would give a man a better chance to recuperate than when he has two weeks only.

Q. You feel that the daily task of delivering letters is a great tax on any man, and that you are better entitled to rest, and that the public would get better service for the rest of the year if you get the longer leave? A. We believe it will be for the benefit of the service, for economy, prevent sickness and lengthen the life of the carrier, and give him a sense of satisfaction. I believe the annual leave granted to the Civil Service is longer than the two weeks allowed our department. I believe other branches have a longer leave. I believe Great Britain gives the longer leave, and the United States the same. I think our annual leave is about the shortest, and for that reason we think the request is fair and reasonable.

Q. You are at the present time receiving two weeks leave full pay? A. Yes.

Q. In addition to that a bonus is granted in lieu of a third week in the cases of those who have done exceptionally good work? A. It is granted as I understand it—and I believe this is the first revelation or explanation of that—as a recognition of satisfactory service, as an incentive to application to duty.

Q. If an additional week's leave were granted, it might mean the withdrawal of the bonus? I understood from post office officials that the bonus was given in lieu of a third week's leave? A. I have not understood it that way. If it is so, we have not so learned to understand it. The bonus means ten days leave, ten days or twenty dollars granted in cash.

Q. Some of the carriers do take that leave? A Yes.

Q. Are any of the carriers under superannuation? A. I believe we are in favour of it; if not a unit, with very few exceptions.

Q. And you think you would prefer it to retirement? A. I think we are prepared to accept it as in the draft of the Act submitted to the Senate two years ago, with this addition that the carriers ask for earlier superannuation in their case, either at 55 or the expiration of 25 years' service.

Q. At the present time are you entitled to any allowance at all? A. None at all.

A. J. BIRD, sworn:

By Mr. Lake:

Q. How long have you been in the service? A. Four years and two months as a letter carrier in Victoria. I am asked to speak on the subject of supernumeraries. We find it very difficult, in fact almost impossible, for a man to get away from work unless he is actually under doctor's care. A week ago I asked for half a day, and could not go, as the postmaster could not let me. A man has to bind himself every day in the year, Christmans holidays and every day, and it is impossible for him to get away except on the summer holiday, or he is sick in bed. The letter carriers desire the government to grant a couple of men as supernumeraries to let men away. We forfeit our salaries anyway if we are away, so we do not expect to get the salary. In the meantime they could be assisting inside if no carriers were away. We have one supernumerary, but Mr. Shakespeare informs him he is only here in case of a man being sick, and he cannot put him on to let a man away. I am asked also to speak of the increase in staff. There are thirteen who feel they are doing more than their share. In the last few months it has been impossible for the men to keep up efficient service without much overtime. Perhaps if he has a big load a carrier may work eleven hours.

Q. Is that an actual fact? A. I myself have quite recently been relieved of a considerable piece. I felt myself going down.

Q. Have you yourself actually worked like that? A. I have worked sometimes ten, sometimes ten and a half hours, or perhaps might do no more than seven or seven and a half hours. When the mail comes in, no matter how heavy, we must get it out.

Q. Does this last for any prolonged time? A. It does if the men are not—

Q. But did it as a matter of fact? A. It did the last few weeks.

Q. At different times you were working overtime yourself? A. Yes, sir, I was, and I was working quite hard. You would take from half-past six, from the time a man comes down, sorts his routes out, puts on the changes of address, it all takes a lot of time. It is not the actual work of four hours or so on the route, but this. This is the morning delivery, and then we have to go back for the afternoon delivery.

Q. What hours do you start work at the present time? A. We have no regular time. The rules call for the men to be here to get it out at eight o'clock.

Q. What time did you come down? A. I come down for seven. I find it too much to come down at half past six. It depends on the amount of mail a man has to handle, whether he can get it out at eight. After the morning delivery I go to dinner and back at two-thirty. If it is a heavy morning mail it is later than that. We contend that an increase of staff does not take place as often as elsewhere. Perhaps because the city stood still so long.

Q. And what do you ask now? A. We ask now for an increase in the number, and that increases be made more frequently in the future than in the past, because the city is growing so fast. The thirteen men down there consider they should be relieved of some of their work as they have too much to do. The last census gave us 35,000. The present directory gives 55,000. That is the reason the carriers are working longer hours than they should, because their beats are not cut up often enough for the growth of the city. Then I want to mention, too, that the material used in our uniform pants wears out in two months.

Q. You find the uniform will not last six months? A. The pants won't, because of the friction of the mail bag against the cloth. The tunic gives pretty good service but the pants won't.

Q. How about the boots? A. We are not supplied with enough.

Q. The quality is all right? A. Yes, but we don't get enough pairs. The summer uniform is not suited to the climate. I think the carriers should have some sort of khaki goods.

Q. You feel it is too hot? A. Yes, far too hot in the hotter part of the year. They have been giving us a thin coat this year, but it is not hot enough all the year to wear that.

H. BEVERLEY, sworn.

By Mr. Lake:

Q. How many years have you been in the service? A. Close on ten years in Victoria. I have been asked to mention particularly the fact that we have to serve too long on the grades. I understand that the grades are so divided you must serve two years, except in "A", where they allow an advance in six months. When I was appointed the time was different. Then it was two years, but grade "A" was practically abolished, because when you had the appointment there was only one month from grade "A" to "B." Then I was advanced from "B" to "C" within two years, and from "C" to "D" within two years, and the final month the recommendation came for "E" which practically meant four years and two months from the time I entered I got to grade "E." Now it takes six years to attain grade "E" and I understand it is still optional with the postmaster to recommend it. We think the grading should be more rapid, and that if a man is fit for the service, he should be fit at three years at most. If he does not know everything in three years he will never know. We think one year should elapse between the grades. We have one man who is in the service six years in October, and has still not got his grade "E."

W. C. CAVE, sworn.

By Mr. Lake:

Q. How many years have you put in in the service? A. One year and eight months. I was asked to speak about sick pay. Under the present system of graded salaries, we are not paid sick pay. If we are sick we lose our pay. As living is high, and some of the men are married, we find it difficult even when we are getting full ordinary salary to make both ends meet, and when one of us gets sick we are apt to get up against it. We would like to have sick pay on the graded system, or else go back on annual salary.

Q. If a man is sick, and produces a doctor's certificate, you think his pay should not be docked? A. That is our view.

Q. Would you prefer the annual salary system? A. We prefer it providing we could not get sick pay on this system.

F. G. SHAVER, sworn.

By Mr. Lake:

Q. How many years have you been in the service? A. Six years and nine months.

Q. What is your position? A. Under the old system I was a junior second class clerk, and I am a third class grade 'A' under the new system. The benefit I received from it is a reduction of one grade.

Q. What salary were you receiving? A. $850, and I received an increase on the first of January to $900.

Q. And in addition do you get the provisional allowance of $150? A. Yes. With the amount taken off for retirement fund it gives me $86.25 a month. With regard to superannuation I believe that under it we would pay less each month than we do for retirement under the present system.

Q. But suppose you had to pay the same 5 per cent, would you prefer superannuation? A. Yes, provided a man could retire after twenty years' service, or remain on to 35 years and be compelled to retire. That is, if he wanted to retire after twenty years service the superannuation would be so small he would prefer to remain longer.

Q. You believe in compulsory retirement? A. I think that after a man has been 35 years in the service he should make way for younger men.

Q. You think it would bring better men into the service if they saw a prospect of getting to the top of the tree? A. Yes. At present a man gets into office, and whether he is any good or not is kept on, and keeps better men out sometimes.

JOHN B. SINCLAIR, sworn.

By Mr. Lake:

Q. You desire to speak in regard to superannuation? A. In regard to superannuation say after 25 years, one is eligible for superannuation or if not fit for service he may retire. After 25 years in the post office indoors—and it is not very healthy in some of our buildings—he is useless for anything at all. If not that, he does not want to retire, so that a little superannuation to him is not any good. If he dies before 25 years are up, all that is coming to his heirs is three months salary to his widow. Still superannuation is better than the retirement fund which I am under personally. I think the superannuation fund if adopted might have a provision that the widow if a man dies in the service on the fund after say 20 years shall benefit in some way by a pension.

Mr. SHAVER.—If a man is placed on the superannuation fund his allowance should be paid on the entire length of his service, temporary and permanent. Some men are on the temporary list for ten years or longer. They are only considered as permanent from the time they are put on the permanent list. There is no reason why the superannuation should not be paid for the entire length of service.

Mr. LAKE.—I suppose the reason is that while they have been temporary they have not been contributing?

Mr. SHAVER.—They might pay the amount they would have contributed and this would meet that objection.

Mr. SHEPPARD.—I know a couple of men who were taken into the permanent service ten years ago, and they are there nearly as long as I have been, twenty-one years. I think every man who has done the same work, given the same service, there should be some provision that they might contribute the amount necessary on ten or five years service, which they would do willingly, deducted monthly till the arrears were paid.

Mr. LAKE.—What I should like to get at is whether the officials would be prepared to contribute to the superannuation fund?

Mr. SHEPPARD.—What amount do you think the government would require us to contribute? I am paying 3½ per cent. There are only three of us under the old superannuation Act.

Mr. BLACKMORE.—Would it be more than 5 per cent at present?

Mr. LAKE.—I think if they could go on under 2 per cent it ought not to be more than 5 per cent.

Mr. SHAVER.—We have been paying 5 per cent for some time.

Mr. LAKE.—You would be willing to have it turned over to the superannuation fund?

Mr. SHAVER.—If it was based on the superannuation contribution, there would be 3 per cent coming back now.

Mr. LAKE.—There is the great difficulty that a very large number of the people do not believe in a pension system, and the only way to get over that is to prove to the people that they are not paying; that is, make it self-supporting.

Mr. SHAVER.—I think the feeling in our office is that we are all anxious for superannuation and willing to contribute to it.

Mr. LAKE.—Senator Power's Bill proposed that the deduction should be 5 per cent of the year's salary.

Mr. BLACKMORE.—That 5 per cent is the same as the retirement fund. I think that is a fair percentage.

Mr. SHAVER.—It would hold men in the service. The way conditions are here there is a tendency for men to get out of the service into outside occupations.

Mr. SHEPPARD.—What would be the rate of superannuation under a 5 per cent deduction? Has it been endorsed by the Civil Service Association.

Mr. LAKE.—I do not think it has ever been endorsed. I presume the benefit would be the same as under the old Act, but with an allowance for the widows.

Mr. SINCLAIR (resuming his evidence).—Another thing felt strongly in the office here and which we should have a decided answer on is that of working so much overtime, where it does not at all seem necessary. The whole staff is divided into three, and one staff is on at nights, going on four weeks in every twelve. While on night work a number of the night staff work 28 straight nights, seven nights a week without a break. Very often the night staff works more than eight hours seven nights a week, an average of eight and a half hours a night. While we recognize that there must be some Sunday work we feel that the system might very easily be arranged whereby men would get corresponding time off during the week.

Q. You feel that no man should be called on to work for seven days in the week? A. Yes. We work twenty and sometimes twenty-four Sundays a year. That takes away our holidays. While we recognize that at certain times of the year, at Christmas and several times when the eastern mail is delayed, and we are willing to work overtime, we feel that except when occasion demands we ought not to be called on to work overtime without remuneration. We do not ask for remuneration in pay—I do not think many desire such a system—but we feel that we should have corresponding time off. It is working under unnatural conditions anyway, and when called on to work 28 days straight four times a year, it will render a man inefficient in the end. That is a matter which we put forward strongly, and if it is under the jurisdiction of the postmaster, we would like him instructed to make some arrangement to meet these views.

Q. Do you know if the same conditions exist in other post offices? A. No, sir, we do not. In the majority of post offices we understand a system is arranged in the office whereby the man who works Sunday has corresponding time for it. We have taken the matter up with the postmaster, and he says such a system cannot be inaugurated in Victoria post office, because he has not the staff.

Q. Do you feel quite certain in regard to the post offices in the east? A. Yes, sir. We have men here from Calgary, and I have looked into it in Vancouver, and we have a young man just transferred from Winnipeg.

Q. In all these three offices you are informed that the men who have to do the night or Sunday work are allowed a day off during the week? A. They get corresponding time.

Mr. SHEPPARD.—That is, they do not work seven nights without a night off. They have one night clear in the week.

Mr. SINCLAIR.—The men like to have one night at home anyway, and when they are on for 28 nights it is all the more necessary. We even close the doors against the public on Sundays. There is an anomaly of the Lord's Day Act. We have the lobbies closed on Sunday, and yet inside we have ten clerks working.

Mr. SHEPPARD.—Closing the lobbies is a hindrance instead of a help, because the boxes are filled with Saturday night's mail, and that on Sunday night it is in many cases difficult or impossible to get any more in, the boxes not having been emptied. We frequently have to leave some of the mail on the floor after the boxes are jammed full. Closing the lobby on Sundays does not affect us at all in the way of saving us work.

Mr. LAKE.—Does Mr. Shaver say that closing the lobby actually means increased work for the men who are doing the sorting?

Mr. SHAVER.—I believe in having the place closed up on Sunday.

Mr. LAKE.—But what I want to know is, does that give the clerks sorting mail on Sunday night more trouble?

Mr. SHAVER.—It is more inconvenient. It takes longer to sort mail into the boxes as the boxes are full from Saturday night. It takes at least 25 per cent more time.

Mr. SHEPPARD.—One of the boxes last Sunday night was jammed, and I had to leave the rest on the floor.

Mr. SINCLAIR.—We want to know whether it would not be possible to have a shorter office day, seven hours, say eight to five.

Q. (To Mr. Sinclair).—At the present time all clerks are working how many hours? A. Eight hours a day.

Q. As a matter of fact do you stay all that time? A. Yes, and in some instances such as money order registration clerks, about half an hour longer. For instance, the registered mail may be opened—the man who opens it has to complete it—and the man may be there over the legitimate office hours. There is a strong feeling that as we do not get Saturday that other offices get in the service, it would be only fair to ask for a shorter office day, getting off at five and starting at eight.

Q. Do other officials get an eight-hour day? A. Yes, and Saturday off at one o'clock.

Q. I was under the impression that though the legal hours were eight hours, clerks were not kept that long? A. We always work eight hours.

Q. Have you anything to say as to the sanitary conditions of the offices? A. Yes. The ventilation in this building is very bad, and it is very, very unhealthy for any man working here. One man has had to quit the service because of conditions. The atmosphere becomes vitiated especially in winter time. All the conditions go to make the atmosphere bad, if there is no proper ventilation, and there is no proper ventilation in this building.

Q. Have you experience of other post office buildings? A. Winnipeg and Vancouver, and particularly Vancouver.

Q. How are they? A. The Vancouver post office is very well ventilated, even to the basement which they utilize for post office business, and there the ventilation is such that it is quite a good place to work. In this building it would be impossible to work in the basement. Another thing is the sanitation. We have not the lavatory accommodation such as is needed here. There is only one sink, and sometimes it is in such a state that one would rather go home dirty. The odours sometimes are very offensive.

B. F. SHEPPARD, sworn.

By Mr. Lake:

Q. The statements you have already made you will now repeat under oath? A. Yes, sir, I do.

Q. What is your opinion in regard to the night work? My own opinion in regard to Sunday and night work is that if it is not practicable to give time off they should be paid.

Q. You think the best solution is to give a day off? A. Yes, that is what I think.

E. H. BLACKMORE, sworn.

By Mr. Lake:

Q. What is your position? A. Paying clerk in the Money Order department.

Q. How long have you been in the service? A. Over five years, of which I spent 3½ in Calgary, and I was transferred here last May twelve months. Night work does not interfere with our branch, but we know what the conditions are. In Calgary they have a complete staff for each operation.

Q. The clerks who have to do night work or put in Sundays there have an allowance of a day made to them? A. Yes, they put in six days a week, and no more. There is a matter of salary I would like to mention. I have been in the service going on six years. I handle daily $4,000 and now have $800 a year, and the $150 provisional allowance, or $79 a month. My expenses run about $75. There is not enough money to keep good men in the service. I had an offer of a situation recently at $4 a day, but I like the post office work, and would rather stay here if the salary would suit. I do not think $79 is enough for any man who is handling $4,000 a day and accounting for it. I think the clerks employed in the Money Order and Registration branches should have a little more.

Q. You have to put up a bond? A. Yes, and 75 cents a year is kept out on account of the premium. We are all under bond. I stay in the service because of the chance of promotion, but the salary is certainly very low.

The deputation withdrew.

NOAH SHAKESPEARE, called and sworn.

By Mr. Lake:

Q. You are postmaster at Victoria?—A. I am.

Q. How long have you been in the service? A. This is my twenty-fifth year as postmaster.

Q. Have you an assistant? A. Yes.

Q. What is his salary? A. $2,000.

Q. The staff is principally a clerical staff? A. Yes.

Q. Ranging in salaries from what? A. The lowest is $500 with a provisional allowance which makes it $680.

Q. Up to what? A. $1,600 also with provisional allowance, $180.

Q. The carriers do not get that allowance? A. No, nor myself.

Q. You receive $2,800? A. Yes.

Q. Have you had any increase in salary? A. No, sir. My increase depends on the revenue of the office. For the amount of work being done now it seems to me the schedule is hardly a fair one. I have six suboffices which I have to look after and inspect during the year, each office twice each year. When I took office first there were no suboffices, and not one-third of the business, but since I attained $2,800, four sub-offices have been opened, which increases my work.

Q. Does that tend to prevent you getting an increase? A. I think it helps to increase the business.

Q. On what is your salary based? The sale of stamps or the amount of business generally? A. The revenue of the office generally.

Q. And the revenue of the suboffices is included in the revenue of the office? A. Yes.

Q. The area directly served is the City of Victoria? A. The City of Victoria, yes.

Q. But you also make up mail from any places outlying? A. Yes, a large number of places.

Q. How many clerks have you altogether? A. 76 on the permanent staff, besides 9 temporary.

Q. All engaged in this office? A. Yes. That includes the letter carriers of whom we have 24. There are three messengers, and the others are clerks.

Q. What wages do the messengers get? A. They get $500 and a provisional allowance, the same that a clerk begins at.

Q. You have given me a statement showing the business transacted for April, May and June, 1911 and 1912. I notice the sale of postage stamps in June, 1912, amounts to $12,367.76, while in June, 1911, it amounted to $9,257.42. Is that fairly representative of the increase that has taken place? A. Yes. Each month we find an increase.

Q. Do you find yourself able to handle the business? A. Yes, but of course there is a good deal of hard work.

Q. Are you able to get additional assistance if you require it? A. Since the present administration has been in power I have been able to get assistance more freely and readily than before. Sometime ago I made application for eight additional clerks which were absolutely necessary. The institution was running short handed and they readily gave them to me. I asked for four carriers, and they readily gave me these, and I am asking for two more.

Q. How long ago did you ask for the last two? A. Two weeks ago.

Q. The carriers were up just now, and said that still more were required. That will improve it? A. Yes. There is too much for two deliveries, and the only way to do is to have additional help.

Q. The increase in business has been considerable, I suppose? A. Oh, yes, and it is increasing continually. Our Christmas business is four times as large as it was three years ago.

Q. What provision have you for handling the Christmas business? A. We get extra help from the government in the way of wagons and teams to take out parcels and in the way of extra men employed. Last year there was quite a heavy bill, the work was so heavy. The year before that it cost about $175, but I think last Christmas it was $400.

Q. I presume the government meet any bill providing the work is done? A. Yes. Of course I get authority before spending the money.

Q. Do you get that authority by wire? A. Yes, when it is urgent. I write two months ahead for the Christmas work.

Q. Do you consider that at the present moment your staff is sufficient to give good service to the public? A. Well, it is hardly up to the mark.

Q. Are you troubled with too little space in the post office? A. Yes. We have asked for more space for quite a while.

Q. How many years past have you been asking for more space? A. For three years anyway.

Q. For three years you have not had space to do your work properly? A. Yes. We expect soon to have more room when the Customs parcels are moved out and put in the Custom House. We will put the Money Order branch down there, and convert the present space used by them to other uses. My office will be down there too, and my present office will be used for stores.

Q. For three years you have been trying to get more space and more assistance? A. Yes. Of course we have been getting some, but not sufficient. This year the government has been more ready to respond to my requests.

Q. You have found that there has been considerable complaint from the public? A. Yes, but the chief difficulty that I have had to contend with for years has been the low rate of pay that the men have been receiving from the government. Young men whom you expect to have a good education and a good reputation and to stay in the office and give satisfaction cannot be got for $2 a day. They only come in for their own convenience till they get something better to do. Take the man on the street, common labourers, they get $3.50. One young man left last week because the salary was not high enough.

Q. You find it takes some time to train them? A. Yes, we get a young man in who stays for six or twelve or eighteen months, and he is just getting useful when he leaves. You have to take another greenhorn in and train him, and we are continually changing in that way, principally on account of the low rate of wages they receive.

Q. Do you think you have more trouble over here than elsewhere in the west? A. No, they have the same trouble in Vancouver. The present administration have paid the men more; they have certainly done better. We are now giving the business section three deliveries a day which is greatly appreciated.

Q. You put down the difficulties in meeting the wishes of the public in the past to the difficulty of keeping young men who have been trained in the service on account of salaries? A. Yes. The cost of living here is so high in comparison with the east, that the salaries are not enough.

Q. Do you think the cost has increased here? A. Very materially in the last few years.

Q. Compared with five years ago, what would you say the percentage was? A. I would say 30%.

Q. Do you get office supplies on requisition from Ottawa? A. Yes. They are supplied by the department there, by the postal stores branch.

Q. Do you get them pretty expeditiously? A. Yes. Once in a while they are slow.

Q. Are you satisfied with the quality? A. Not always.

Q. Can you give any specific instances? A. We use a great deal of straps in the letter carriers' branch, especially during the Christmas holidays, to tie up the bundles of papers, and some we got snapped. I called the attention of the department to that early this year. I keep all these broken bits of straps, and they can be seen by any one from the department who wants to. I now get a better quality than I did.

Q. In regard to the uniforms, how are they? A. The uniform now is better than ever. It is a better fit. They send a man out who measures the men. We used to have a great deal of trouble with misfits. The men would send the measures down, and the department would send back the most awful fits.

Q. And is the quality better? A. Yes, the quality is better.

Q. Do you consider the two uniforms they get serve them for a year? A. Yes, they do.

Q. One of the carriers was pointing out the quality of the trousers where there was a tear from the carrying of the mail bag. A. The clothing is, I think, of good quality. I know we have examined it, and the general opinion has been by carriers and myself and the superintendent of letter carriers that the quality is satisfactory.

Q. Do you purchase any outside or additional supplies? A. No, yes, excepting soap or oil or something small.

Q. Have you any suggestions that you would like to offer looking toward efficiency of the service? A. We hope to have more room in a few days, and that will be a great help.

Q. You have stated your opinion that the rate of pay should be advanced? A. Yes.

Q. What do you think in regard to the superannuation system? A. Superannuation should be taken as regards the post office staff.

Q. Do you think it would tend to help the situation? A. Yes, that is the general feeling.

Q. Are you troubled by men who are beginning to get beyond their work? A. No, I do not see why the carriers and myself should not be entitled to the provisional allowance, especially as the postmaster has so much extra work in the way of supervision of suboffices.

Witness retired.

The Commission adjourned.

NAVY YARD, ESQUIMALT, July 26, 1912.

GEORGE PHILLIPS, called and sworn.

By Mr. Lake:

Q. What is your position here? A. I am naval stores officer, and accountant, officer in charge of works, and officer in charge of the yard under the commander in charge of the station.

Q. In other words you are the officer in charge of the civil side of the yard? A. Yes.

Q. How long have you had the position? A. Under the Canadian government from the opening of the yard.

Q. And before that you had been holding a similar position? A. Before that I was the local agent on behalf of the Admiralty. I came out from the Admiralty in 1894.

Q. Had you any service before that? A. Yes, I was at the Admiralty in London in the works department, and came out under the works department until the winding up of the yard, and in the interval I acted as the representative of the Admiralty out here.

Q. What are the positions and salaries of the permanent staff under you? A. One surveyor-assistant at $1,500 and $200 allowance. One senior clerk, rising from $900 to $1,200 with an allowance of $17 per month. Three clerks ranging from $500 to $900 with an allowance of $25 per month, such allowance automatically reduces as the clerk gets more pay. A telegraph operator rising from $780 to $1,020. Foreman storehouse man at $960 to $1,140 with an allowance of $17 per month; two storehouse men and two storehouse assistants and one messenger with salaries $1.70 to $2.10 per nine hour day with a special allowance of 75 cents per day.

Q. Does that daily allowance cover Sundays as well? A. Yes.

Q. Would you tell me the nature of your work? A. The provision, care and maintenance of stock and stores for His Majesty's Canadian ship *Rainbow,* and fisheries protection vessels, work for the Admiralty and upkeep of the yard.

Q. What work do you do for the Admiralty? A. We look after all their stores, and if they want any work done—there is a good deal of re-fitting—it is done here.

Q. Under your superintendence? A. Not under my own actually. We have an engineer officer in the yard who attends to that.

Q. That officer is an officer of the Canadian service? A. Yes, he is the chief engineer of the *Rainbow* and he also acts as the engineer of the yard.

Q. And the men employed under him, are they artificers of the ship? A. Civilians and fleet men who come to work in the yard under the engineer.

Q. Are they paid by you? A. Yes.

Q. All accounts for re-fitting done by the engineer's department, pass through your hands? A. Yes.

Q. In regard to the work for the Admiralty re-payment is made? A. It is collected at this end.

Q. Directly by you and not through the Naval Department at Ottawa? A. By me.

Q. In regard to the artisans who are at work in the shops, I presume you get them at the rate of wages usual throughout the district? A. Yes.

Q. Do you find that they are receiving a higher scale of wages than your clerical assistants here? A. Yes, they are.

Q. Or than your storehousemen? A. It depends absolutely on the work or trade of the artisans.

Q. Do you find it difficult to keep men at the wages paid? A. No.

Q. You have very considerable difficulty in keeping your clerical staff though? A. Yes, I have.

Q. The reason, I suppose, is that whereas the artisan class is receiving the average rate of pay in the district, the clerical staff is not? A. That is so.

Q. Could you tell me about the amount of business which passes through your hands? A. That is rather hard to answer as the yard has not been organized long, and we have no absolute record.

Q. During the last fiscal year about how much money do you suppose passed through your books? A. The difficulty would be that the *Rainbow's* accounts and the yard's overlapped considerably at the commencement, and matters have not settled down sufficiently for me to give an intelligent statement.

Q. Your clerks are on the permanent Civil Service list? A. Yes, they are on the permanent list, outside service.

Q. And receiving the regular fixed increments between minimum and maximum? A. Yes, they receive a yearly increment of $50.

Q. In your opinion is the rate of wages sufficient to keep good men? A. It is not, sir.

Q. Do you consider the cost of living has very largely increased in recent years? A. Yes.

Q. Could you give an estimate for the last five years for instance, of what the increase in the cost of living has been? A. I should say at least 50 per cent.

Q. Have you gone into this matter and made a calculation? A. I am only speaking from my personal observation as to my own expenses.

Q. You have an official residence so you cannot speak of rents? A. No.

Q. What is your opinion about the increase in wages of domestic servants? A. They have gone up over 100 per cent in 14 years.

Q. Are you or any of your men under the Superannuation Act? A. No, we are not.

Q. Is there any deduction made in the salaries of yourself or your men under the Retirement Act? A. No.

Q. Do you consider it would be a good thing for a reduction to be made from the salaries of the officials employed here for the purpose of entitling them to superannuation at the close of their service? A. Yes, I believe it would meet with the approval of all ranks.

Q. Do you think a pension system would enable you better to secure clerical assistance here? A. Yes, undoubtedly it would.

Q. Have you any suggestions to make for economy and efficiency of the service here? A. I have no suggestions to make at all.

Witness retired.

JOHN A. WILSON, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am director of stores in the department of the Naval Service at Ottawa.

Q. How do you manage the purchase of stores? A. We make it a rule wherever possible that tenders are called for for stores purchased locally. Our requirements from year to year for fixed stores can be usually forecasted along certain lines, and therefore it makes it easy for us to buy once a year the bulk of our stores instead of making several purchases at different periods. In that way the great bulk of the purchasing work will in future be done from Ottawa. However, they cannot cover everything there and the naval stores officer has a system by which he can purchase

supplies which are urgently required and not of great value and not worth referring to Ottawa.

Q Has the naval stores officer here up to the present time been calling for tenders and making contracts for the supply of goods? A. Yes.

Q. Who have been called upon to make these tenders? A. Different firms in the town. It is laid down in Mr. Phillip's instructions that all firms in a position to supply shall be asked to tender.

Q. There is no restriction as to which firms shall be asked for tenders? A. There is absolutely none.

Q. And the custom is to accept the lowest offer? A. The lowest or most advantageous offer.

Q. This has been the system up to the present time? A. All purchases have been made under that system.

Q. Are you going to introduce a new system by which tenders will be called for from Ottawa? A. We do that now. These are for stores urgently required and for which we have not made provision, or where delivery has been delayed, and Mr. Phillips has to make purchases locally to fill an immediate want.

Q. But with regard to larger stores? A. They are all purchased at headquarters.

Q. After calling for tenders? A. By public advertisement or otherwise.

Q. Do you generally call for tenders by public advertisement? A. In a large contract we try to do so unless the time is so short that we have to apply direct to tenderers. It takes three weeks or a month to enable a call to be properly advertised. In cases where we cannot advertise we make it as widely known as we can sending out fifteen or twenty tender forms to firms in a position to supply the goods we need. Our difficulty here is that firms will not take the trouble to fill in the tender forms.

Q. In regard to hardware, for instance, do you ask for tenders carrying a large number of articles? A. Not usually here. At headquarters we do, but here it is more a matter of smaller purchases.

Q. You have no standing contract with firms here? A. We make a fixed quantity contract, so many articles or lbs. of iron or barrels of cement or the like. We have a complete record in black and white of all purchases made here.

Q. Do tenderers tender from samples? A. Tendering is always done from samples. We have samples at headquarters and the articles supplied are always compared to see that they conform strictly to sample. Out here Mr. Phillips has samples of such goods as he may require to call for tenders for, and these can be seen by firms who desire to tender. We find here, however, that the tenderers will not take the trouble to come out and look at the samples nor will they take the trouble to fill in the tender forms.

Witness retired.

The Commission adjourned.

Afternoon sitting.

Post Office Building,
July 26, 1912.

Mr. A. J. DALLAIN, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am classified as accountant, but I am also chief clerk and purchasing agent for British Columbia for the Department of Marine and Fisheries.

Q. When did you enter the service? A. About 18 years ago.

Q. Who is the agent here? A. Captain George Robertson. He is away north at present with Colonel Anderson, the chief engineer of the department.

Q. You have handed me a statement as to the number of persons employed in your office. Besides yourself there is a clerk, and a book keeper, three stenographers, junior clerk, foreman of works, wharfinger, superintendent of lights, inspector of lighthouses, lighthouse erector, gas buoy inspector, night watchman, and you have, of course a large number of men employed at lighthouses. Can you give me an idea of the number? A. In 1907 we had 52 lightkeepers and in 1908 we had 68.

Q. A large number are forced to employ assistants by your regulations? A. Yes, that is where a fog alarm is in operation in connection with the light.

Q. You have one sub-agency? A. Only one, that at Prince Rupert.

Q. Do you cover the mainland at all? A. Yes, we look after all the interior lakes, Kootenay lakes, Arrow lakes, Kaslo and around there.

Q. Is there any other marine agency in British Columbia? A. No, it is all managed from here.

Q. The harbour of Vancouver comes under you? A. Yes.

Q. Have you a staff there? A. No, everything is done from here.

Q. You have harbour masters, I suppose? A. There is a harbour master and port warden and shipping master in each port, and some ports have deputies as well.

Q. Could you give me an idea of the number of men altogether who are directly under this office? A. Offhand I could not, but I will furnish you with that information.

Q. In regard to the salaries paid in the office at Victoria do you and the other clerical staff receive any higher salary than is given to similar officials in other parts of Canada? A. So far as we know we are not; we are classified the same.

Q. There is no provisional allowance in your department? A. None. We differ in that from other departments here.

Q. Have you a regular annual increment? A. $50 per annum applying to all the staff.

Q. I presume the terms designating the officials under you indicates pretty clearly the nature of the work carried on? A. Yes, it does.

Q. What is the work done by the department at life saving stations? A. We have at one station two men regularly paid on salary, and always on duty. It is pretty well up to date, the station at Banfield. At two others they are only employed about six months in the year. There is at each a coxswain who receives additional pay for his services.

Q. Do you think the lighthouse keepers are as well treated as those on this coast on the other side of the line? A. I do not think so, but I will obtain comparative information and send it to you.

Q. What amount of money passes through the office here? A. In 1907 it was $159,000, and in 1912, $365,000.

Q. This represents what? A. The full amount spent in the operation of the British Columbia Marine agency, salaries and everything else.

Q. You manage the whole accounting for the agency? A. Yes, and also the purchasing and attending to tenders.

Q. What is the nature of the stores you purchase? A. Coal oil, gasoline, lubricating oil, booms, and everything in connection with the repairs of gas engines and machinery.

Q. In regard to these articles, do you usually call for open tenders? A. Yes, tenders are publicly called for in the papers, and the tenders received are submitted to Ottawa for approval.

Q. Do you have the tenders directed to you or to the department at Ottawa? A. These are sent in care of the agent, with instructions from Ottawa that they be opened by him in presence of the chief clerk and a comparative statement made and forwarded to Ottawa.

Q. That is carried out but the tenders are adjudicated on at Ottawa? A. Yes.

Q. Do you consider your staff sufficient to give good service to the public and to the government? A. No. I have only one book keeper, and as we keep stock now and handle a far greater amount of money it involves a good deal of book keeping.

Q. Does this mean working a good deal of overtime? A. Yes.

Q. And is the work getting behind? A. Oh no, we would never allow that; we would sooner work overtime at night and on Sundays.

Q. What are the regular hours in the office? A. From nine in the morning till five at night. I have often worked after ten or eleven at night.

Q. Have there been any complaints from the public? A. No. Apparently they are fairly well satisfied.

Q. Have you anything to say personally in regard to the cost of living here? A. Ten years ago I think I could have lived equally as I do to-day on say $75 a month. There is the difference as between $60 and $100. I could live as well when I was getting $60 as I can now on $100.

Q. Have you any difficulty in keeping your clerks? A. We have. There are one or two cases most deserving. Our junior clerk has been in the office a long time, he knows the work, and does good clerical work. He is a little discontented, and has tried to get out on several occasions, but the superintendent has got him to stay on in hopes of something better. Stenographers have started lately a little better, but still much lower than outside.

Q. You feel that the staff is underpaid? A. I certainly do.

Q. You think they should at least have the provisional allowance? A. I do.

Q. What do you think of superannuation? A. I would like to see that. I have been in the service for many years, and I do not know how they would manage it, but it would be welcome.

Q. You are in favour of it? A. Yes, but in what form I cannot suggest.

Q. Have you any suggestions to make as to great efficiency or economy in service? A. I do not think so. We have adopted a uniform system of accounting adopted generally by the departments though it involves a lot of work. The inspector of agencies was here lately, and stated to us all that he found everything most satisfactory.

Q. What leave is granted in your department? A. Those who wish it have never been refused, but it has been understood up to very recently that on that subject the agent's consent must be obtained, and that he could refuse. I pointed out that every clerk in town got it, and the clerks in our department ought to be treated equally well.

Q. Have you had three weeks' leave granted? A. No. We have got two weeks, and we have been able to do it say for a week at a time.

Witness retired.

D. B. McConnan, called and sworn.

By Mr. Lake:

Q. What is your rank? A. Assistant receiver general.

Q. And when were you appointed? A. November 1907.

Q. Previous to that you were what? A. Accountant.

Q. How many years have you been in the service? A. Twenty-one in the assistant receiver general's office and three and a half temporarily with the post office, twenty-five in all at the end of this year.

Q. What does your staff consist of? A. An accountant, ledger keeper and savings teller.

Q. What territory do you cover? A. The whole of British Columbia and the Yukon, and sometimes, not very often, portions of the Northwest. I have had

requests from as far east as Edmonton. One of the banks supplies Calgary from the office here.

Q. What is the nature of your work? A. It is the supplying of all the banks with whatever they need in the way of currency. We have a Dominion Government savings bank as well.

Q. Deposits to the credit of the receiver general are not made in your office? A. No.

Q. Is your staff sufficient to give full service to the public? A. I am having a new clerk appointed on the 1st of August. At present we are much pressed with work, but that is just the growth of work during the past year.

Q. How are your hours? A. Nine to five, but sometimes it is half past, and six or seven.

Q. You frequently have to work late? A. Yes, and often Saturdays.

Q. Have you any complaints from the public regarding the service? A. No, sir.

Q. Have you any difficulty with keeping clerks in your employ? A. Well up to the present they have remained with me. I lost two very good ones this spring, and I have two new ones in now.

Q. Why did these two leave? A. On account of salaries. They would rather go into business than run the chance of perhaps getting sufficient salary sometime.

Q. Their loss would naturally cripple your work? A. It has crippled it.

Q. Are you and your officials paid any higher salaries here than are paid to officers holding similar rank in the east? A. No, sir, unless I might say the two new ones are appointed at a higher salary than has formerly been done. Mr. Winsby and myself are at the same salaries as are paid in the east.

Q. There is no allowance? A. There is no allowance.

Q. In the matter of living, do you find there is an exceptional increase in the cost here? A. Every year I find there is an increase.

Q. What would you estimate the percentage of increase to be? A. Roughly speaking about 40 p.c. Some things possibly have not increased to that extent, and others have increased more.

Q. Do you receive a regular increment to your salary? A. I have been receiving, but there is no statutory increase provided for. One year, for instance, two in the office got increases, and two did not, but the next year the four did.

Q. The increases are in the discretion of the minister? A. Yes.

Q. And any new clerk entering would then have a fixed salary? A. The new men will receive $800.

Q. Will that be with a regular increment? A. I have had no information on that? It is purely at the will of the minister.

Q. And they may or may not get it? A. They may or may not get an increase.

Q. I suppose you make recommendation? A. No, they make application, and they send the application on with a recommendation. Formerly, before my taking over the office it was done wholly and solely from Ottawa at the good will of the minister; it is so still for that matter. It is very seldom that clerks apply for an increase, as we consider that the department knows as much about our efficiency as there is to tell.

Q. Do you get any leave? A. Three weeks each year, the regular Civil Service term. Sometimes we cannot get it owing to pressure of business, but still it is there for us if we wish to take it. Q. Does your staff consider they are being properly treated by receiving the same rates of salary as are paid in the east? A. I do not think the staff is being properly treated.

Q. Do you think they should receive a special allowance to meet the increased cost of living in the west? A. They should receive a special rate of pay.

Q. Do you think the salaries paid enable you to keep up your position? A. I do not.

Q. Can you tell me what the managers of the branches of the banks get in Victoria? A. From $3,000 to $5,000.

Q. Do they get any special allowance for living in the west? A. There is an allowance of from $100 to $300 yearly provisional allowance for living in the west.

Q. You feel there is an obligation on you to fill as good a position as a bank manager? A. Most decidedly so, and I consider the department must have a responsible man for such a position and must pay him in accordance. He is worth as much or more than the best paid bank manager.

Q. Have you any suggestions you would like to make as to improvement in the service, enabling you to get better work and give better value to the public? A. I think it would be of great advantage to A. R. G., especially to me out here so far from Ottawa, to be able at some time or other, say every couple of years, to have a personal interview with the powers at Ottawa. It would improve the esprit de corps if we could discuss the wants and affairs of British Columbia personally with the controller. I think the system could be improved too, so far as promotions are concerned, that instead of a new man being put in as A. R. G., the next in seniority should have promotion.

Q. You would like to see the outside service brought under the Civil Service Act? A. Yes.

Witness retired.

THOMAS ROBERTS, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am senior clerk in the Customs service.

Q. How long in the service? A. I have been in the service since 1890. I entered first at $3 a day until I got an appointment in 1892 at $900 as clerk.

Q. What is your present salary? A. It is $1,400. Last month was the first time.

Q. What were you receiving up to that? A. $1,200, with 5 % deduction for retiring allowance.

Q. Did you get regular increases? A No.

Q. How did you get them? A. The collector wrote, except once when I went to Ottawa myself and saw Mr. Paterson, the minister.

Q. What were you getting then? A. $1,100, and he raised me to the maximum of $1,200. Then I was examined and raised to chief clerk.

Q. Are you receiving about the same rate as would be given to a man holding your position in the east? A. Yes, I suppose about the same.

Q. You are not receiving more, and there was no provisional allowance given to Customs officers for service in the west? A. No.

Q. Do you find it hard to make both ends meet? A. I have never been able to. I never could live on my salary since I went into the Civil Service.

Q. What is your opinion of having the outside service under the Civil Service Act? A. I think it would be all right. It has never been, and when a position was opened a politician was popped into it. When there was a vacancy here for an appraiser I was senior, but a politician was put in.

Q. You think that is a bad system, and that promotions should be in the service? A. Yes. That is one of the worst evils in the service, that men who practically know nothing come in and draw big salaries.

Witness retired.

JOHN CARR, called and sworn.

By Mr. Lake:

Q. What position do you hold? A. I am clerk in the Post Office inspector's office. I have been in the service about two years.

Q. What is your suggestion? A. That if a man, regardless of length of time, is competent to do the work assigned to him, he should be paid. A man may put in twenty years—of course length of service should count—but a man may put in two years, and perform the work equally well, and should be paid accordingly. I have to go out, supervising transfers and making changes just the same as the inspector, and salary I get is only $850.

Q. You go out by yourself? A. Yes. I have practically been acting as post office inspector, inspecting agencies and looking after the payment of mail services and making mail contracts, advertising and such like.

Q. What part of the island have you been inspecting on? A. Pretty nearly all—Cumberland, one of the largest next to Nanaimo and Victoria; Ladysmith, and all the Gulf Islands, Comox, Union bay. A man to inspect Cumberland office must be as efficient as to inspect the office at Victoria.

Q. What is the work at Cumberland? A. $2,000 in orders were issued that day I was there.

Q. It would rank third among the Vancouver Island offices? A. Either third or fourth.

Q. Does the post office inspector also make an inspection? A. Oh, no, I made the inspection for him. That is the regular inspection.

Q. Are you under the post office inspector? A. He and myself are doing duty outside.

Q. How many offices have you inspected this year? A. This year so far about twelve, but we are back in the work.

Q. How many are there to inspect? A. I should think roughly 25 or 26. Another branch I take exclusively is the establishment of rural mail routes. I have just got back from examining into one between East Wellington and the mine. I have been looking over the ground to see whether it would be feasible or not.

Q. Have you been employed on this service before? A. Yes.

Q. And your recommendation has been accepted? A. I have reported on it to the department.

Q. You say the rural mail delivery work is under you? A. Yes, subject to confirmation, of course, but when Mr. Fletcher is not here I sign all the reports.

Witness retired.

The Commission adjourned.

Post Office Building,
Saturday, July 27, 1912

WILLIAM HENDERSON, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am resident architect of the department of Public Works for the province of British Columbia.

Q. When did you first enter the service? A. I first entered the service in 1860. Then I went to the old country and came back in 1872. I re-entered the service in that year, the day after I landed, and remained in the service until the latter part of 1887. I again entered the service in December 1896.

Q. In your present position? A. In my present position at Regina. In 1878 I was transferred from Ottawa to Battleford, then Winnipeg, then when the government changed the seat of government from Battleford to Regina I came to Regina. I lived at Qu'Appelle for four years. From Regina I was sent out here to supervise the erection of this building which was commenced about 1895, and completed about 1898.

Q. Are you entitled to superannuation? A. No. I was on the superannuation list, but when I was transferred to Battleford from Ottawa that was cut off.

Q. By your own will? A. No.

Q. Are you contributing even to the retirement fund now? A. No, I do not contribute to any fund. Of course I am a permanent official of the department appointed by order in council.

Q. What extent of territory do you cover? A. I cover the whole of British Columbia.

Q. How many assistants have you? A. I have practically one assistant in the office for the public works and one for the telegraph and telephone service, which I have charge of.

Q. Your duties lie with all the public works outside of the engineering? A. Outside of the engineer's department which is conducted from New Westminster.

Q. How many employees have you in the office here? A. Three besides myself—assistant for public works, assistant for telegraphs and a stenograher. I am head of the telegraph service except for the Yukon.

Q. Where is it managed from? A. From Vancouver by the superintendent of Yukon telegraph lines.

Q. Have you got any sub-offices in other cities or towns? A. Where there is a new building being erected there is a clerk of works who is under me.

Q. But you have no permanent officer outside of this? A. None.

Q. You have temporary officials under yourself as head architect? A. Yes.

Q. You have caretakers under you, I suppose? A. All caretakers are under me after a building is completed, and I have to look after all necessary repairs.

Q. What salary does your junior clerk enter at? A. He entered at $100 a month in 1901.

Q. You have sufficient assistance to cope with the business? A. Sometimes I have not. I have authority to employ a draughtsman when needed, but I do most of the work myself.

Q. You can carry on the work reasonably well in the interests of the public? A. Quite satisfactory to every one so far as I know.

Q. Can you give me a rough idea of how many employees you have throughout the country? A. I have a caretaker here and three cleaners. I have a caretaker at Vancouver and seven cleaners. We have two buildings there.

Q. Are all the offices collected in the two buildings? A. No, the superintendent of immigration is on the wharf, and the examining warehouse has just moved to a building on Water street, the place we had having become congested. I have two caretakers at New Westminster, one at the public building, and one at the Indian Fisheries building. I have caretakers at Kamloops, Nelson, Rossland, and Fairview, one at Nanaimo, one at Ladysmith, and one at Cumberland.

Q. Are these men paid by your office? A. No, only the telegraph salaries are paid by my office. These are paid from Ottawa.

Q. Have they to purchase small supplies? A. Yes, this is done through my office by requisition.

Q. You authorize the purchase? A. Of ordinary caretakers' supplies I do.

Q. Have you to make any purchases of large character? A. No. All works are done under contract, but sometimes things have to be done that we have no contract for, but we are confined to a certain amount for them.

Q. What is the limit? A. $5,000. Anything under $5,000 we have authoity to do by day labour if it is better.

Q. Do you find it so? A. No, I prefer the contract. There are some occasions but it does not occur often, not even once a year, when it is necessary to do work by day labour.

Q. All large works are done on tender and contract? A. Yes, awarded at Ottawa. I send the tenders there. Except for a small contract they have to be called for by public advertisement and sometimes by calling upon the people I know will give them.

Q. Have you a list? A. I have a list of persons whom I must purchase from. I am not confined to any list to ask for tenders from, and never have been.

Q. Then you have clerks of works? A. I have one at Vancouver in the erection of the examining warehouse, one at Chilliwack on the new public building being erected there, one at Grand Forks, one at Cranbroook, one at Vernon. This time I was up at Kamloops I let a small contract for $1,200 to re-arrange the post office fittings there.

Q. How did you do that? A. I called for tenders, got five in, and gave it to the lowest. I asked people who knew who would tender. In this case I applied to the mayor, and some he gave me, and those I knew in that line I called on. The department gave me some names.

Q. Practically everybody had a chance? A. Everybody had an opportunity that wanted to.

Q. How about telegraph employees? A. In the Victoria-Cape Beale line there are eight operators and linemen, I think. On the Cape Beale-Alberni line there are four linemen and four operators. On the Clayoquot line there is one operator and a lineman who acts as operator besides. The same operator who is on the Cape Beale Alberni line acts as operator for Clayoquot at Alberni. I have an operator at Cumberland, one at Courtney, one at Comox, an operator at Campbell River, and a lineman at Campbell River. Then the lineman at Cumberland looks after the line from Comox to twenty miles the other side of Parksville, or McBride Junction as it is now known. He looks after the lines from Cumberland to Hornby island, and from Hornby island to Denman island. Then from Campbell river to Powell river we have three or four operators and a lineman at each point. Then we have one man who has a general supervision from Campbell river to Powell river, who was provided with a boat and makes general repairs. On Salt Spring island we have telephones, but they are under commission. There is no paid operator on Gabriela Main, Pentier, Galiano, Thetis, where there are telephones. We have a telephone from Golden to Windermere, and Wilner, with an operator at each end, and the rest on the highway are settlers. There are the Okanagan telephone and telegraph lines under Mr. Palmer, who resides at Kamloops. I did have jurisdiction, but it got so unwieldy that we put on a superintendent on that portion, who reports direct to Ottawa. I sign his cheques and his accounts go through the hands of the accountant at New Westminster, who handles the telegraph and engineering accounts.

Q. Why do you sign his cheques for him? A. Because I have an order in council to do so. When the line was under me I did so, and the requirement of the order in council still exists.

Q. Is it right you should take this responsibility? A. I don't take it. The accountant sends them to me, and he takes it.

Q. Would it not be better to have the signature attached by the man with responsibility? A. I think Mr. Palmer should sign his own cheques.

Q. Do the telephone lines support themselves? A. Oh no, they are run at a loss to the government of pretty nearly $30,000 per annum.

Q. And the telegraph lines? A. The whole thing. I do not know about the Yukon and the Okanagan, but those under me are run at a loss of between $25,000 and $30,000. These lines are built by the government for the benefit of settlement, and not for commercial purposes, although we do commercial business, and try to do the best we can; as the country grows up companies come in and take it.

Q. In any of these cases have you found companies come in and take the business away after you have developed it? A. I cannot say that they do yet. The C.P.R. does come in.

Q. What are the wages of operators and linemen? A. We have one lineman at Golden who gets $90 per month; who says he cannot live on the $90 because it costs him so much. He had to travel over close on 80 miles of the line.

Q. And pay his own expenses? A. Pays his own expenses and living. His expenses come to nearly as much as he gets. We have an operator at Wilmer who gets $55, and an operator at Golden who gets $55 a month.

Q. Is the range about equal to what they would get in private life? A. We do not pay as much as companies pay to their officials. Our linemen only get $70 with two exceptions, one getting $85 and one $90.

Q. Do those at $70 find themselves? A. Yes. Some have to travel thirty to forty miles. The C.P.R. pays linemen $85 to $90 a month.

Q. Do you find a difficulty in keeping your men? A. We find it difficult to get good men, and that is a detriment to the service. They go to other positions.

Q. Is that the case in regard to operators also? A. Yes as soon as they can find a better job they leave.

Q. And they find better wages? A. Yes, because the government does not pay the same wages as public companies.

Q. Is that true in regard to clerks of works? A. No. I think the clerks of works are very well paid. They get from $7 a day down to $5.

Q. What class of men are they? Such as would be otherwise classed as foremen? A. Not all. Some are a good class, and some I find are very useless. Iam not consulted in that matter. I am told that a clerk of works has been appointed, get his name, and that is all.

Q. Has that been the case always? A. As far back as I know. Sometimes I get a first class man.

Q. They are only temporary employees? A. Temporary for the occasion.

Q. What would you think of having permanent officials acting in that way? A. There would not be employment always for them. A man qualified for a clerk of works would be very little use at anything else. A good mechanic is the best man for a clerk of works. His duties are to see that the specifications and plans are carried out, according to the intent and meaning, and that all materials used is up to specification, and that the workmanship is good according to what is called for by the specifications. A clerk of works should have judgment within himself not to be arbitrary as to materials. He may have to take the best in that locality.

Q. Why I asked that was you might have a clerk of works who would be willing for a consideration to allow a contractor to put in poorer material than is called for. A. That can happen of course, but I have never found that.

Q. What do caretakers generally receive? A. We have a head caretaker at Vancouver who gets $75 a month, and quarters, fuel and light, and a caretaker here at $50 a month, quarters fuel and light. Caretakers have all quarters as a rule.

Q. Do you consider they receive adequate remuneration? A. No, $50, even if you have quarters, is not sufficient for a man with a family or any man. I speak for British Columbia, of course.

Q. You consider the cost of living here is greater than elsewhere? A. I do.

Q. There has been an increase in the cost of living in British Columbia in recent years, I am told. What would you consider the increase in the last five years was? A. I think it has increased at the very least 25 p.c.

Q. Do you think that is the figure that would apply in Victoria? A. I think it was more in Victoria. I should say here it is 30 p.c. or 50 p.c., but in other parts of British Columbia it is at least 25 p.c. House rents have doubled here in the last five years.

Q. What is about the amount of money that passes through the hands of your office? A. Between contracts and one way and another, half a million a year.

Q. But that does not pass through the books of your office? A. I do not keep any financial books at all. It is all done at Ottawa and New Westminster.

Q. If you sign cheques you must have some account of them? A. I keep track of that. Credits for maintenance of telegraph lines pass through my hands, and I keep accounts.

Q. Do your officials get leave? A. No, they get no holidays. All officials under me if they want a holiday must get substitutes.

Q. At headquarters do you give men under you leave of absence? A. No, there is none coming to them. I do not think they can claim holidays as in the inside service.

Q. But do you in practice let your employees go for a certain period each year? A. They may get a day now and then, but that is all.

Q. Don't you think it bad policy to have officers of one department getting holidays, and others not allowed? A. I think it would be better if all were treated alike.

Q. Do you and your officers receive any higher scale of pay than the same men in the east get? A. I am not able to say. The superintendent of telegraphs is on the pay list for $110 and that I regulated myself.

Q. If he wanted an increase, he would apply to you? A. Yes, and I would send it on to Ottawa.

Q. Have you any suggestions to make whereby the service might be improved? A. I think it would be improved if there were something to look forward to; if they came under superannuation.

Q. You feel you could keep better men? A. Yes. The good men would have something to look forward to, and would not be wanting to leave for better jobs.

Q. You think that would be the best method to improve the service? A. That is the best method for retaining good men and for the public service generally.

Q.Do you say that as a business proposition it would be to the interests of Canada? A. As a business proposition it would pay the people. It would pay the government even if it was a private institution.

Q. You have many buildings to put up? A. The officials at Ottawa cannot realize nor be made to believe the way this part of the country is developing. At Vancouver a building being put up to-day is too small before it gets completed. We have been renting a building outside for the past five years for Customs, &c.

Q. Have steps been taken to provide that accommodation? A. Yes, now they have.

Q. Have you to pay very high rent? A. We have to pay for a place for the express examining warehouse $300 a month.

Q. Roughly speaking, what interest on the capital investment of a building are you paying in rent? A. We are not renting a building except the one rented by the Customs, and according to value now, the rent is not more than two or three per cent.

Q. So you really are renting very economically? A. Very economically.

Q. But any additional buildings you may have to rent will be different? A. We would have to pay four times the rent now.

Q. In regard to this building the post officials say it is inadequate. A. That is not true. It is perfectly adequate for all purposes of the post office for the next twenty years. What is wanted here is an examining warehouse. We have rented one for which we are paying $400 a month. The post office here have as much accommodation as they have in Seattle for a city of 400,000, and it is a new building.

Q. Do you mean the amount of space now at their disposal or what you could put at their disposal? A. I mean what they have now. We have torn out the examining warehouse entirely, and given that to the post office. If is not fitted up for them. I recommended that the whole of this building be given to the post office, and a new

examining warehouse on ground now occupied by the Marine and Fisheries building to be replaced with a large building to be used as an examining warehouse.

Q. You mean that as soon as additional space now at the disposal of the post office is fitted up and made available, they will have ample space? A. For the next twenty years.

Q. At the present moment they have not such ample space? A. Oh yes, they have.

Q. All the evidence given yet is that the limited space prevents them giving the service to the public they should give. A. I do not see where that is. All I see is that many people are anxious to get a new building.

Q. The officials were not. They asked for more space. Perhaps they might have put it better if they asked that the space at their disposal be better utilized. A. That is it.

Q. Do you think if they carry out the arrangements you make it will serve for all purposes? A. Yes, it will serve for all purposes.

Q. In the case of this building rented for an examining warehouse what percentage would $400 a month be on the value of the building? A. About 5 p.c.

Witness retired.

D. B. McConnan, recalled.

A. When I stated yesterday that I had no difficulty in keeping my staff, I omitted to say that Mr. Winsby has threatened to leave; if his salary is to remain at $1,700 he will not remain. He has had offers from outside, one of $1,800 to go into real estate, and a guarantee of 25 p.c. on his sales.

Q. Is Mr. Winsby entitled to superannuation? A. No, he is on the retirement fund. He has been in the office for twelve years.

Q. And a very capable man? A. Most capable and reliable.

Q. What do you think in regard to the Civil Service Insurance Act? A. I think it is manifestly unfair to expect a man who contributes 2 p.c. to superannuation to be charged another 1 p.c. if he is going into the insurance fund.

Q. That is to say, he would have to pay 3 p.c. before being allowed to contribute? A. To take advantage of the insurance. I would take it out personally if it was not for that. I have to take out more insurance. I have had to let two policies lapse on account of salary. In regard to the retirement fund, I think the legal rate of interest of the province where the official lives should be granted instead of 4 p.c. Money is worth here from 6 to 7 p.c., and you can get the best security even at 12 p.c. I think there should be some allowance made whereby a widow would derive some benefit under the superannuation system.

Q. Do you think retirement should be compulsory after 25 years service or when a man reaches a certain age? A. I think in the interests of the service it should be compulsory at 60 because a man gets in a groove and if there is any change in the system he cavils at it and thinks it is not for the interests of the service.

Q. You think it would be in the interests of the working of the service and would give young men a better chance of advancement? A. I certainly do.

Witness retired.

Richard Jones, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am collector of inland revenue.

Q. When were you appointed? A. I was first appointed inspector of weights and measures and gas in June, 1884, and when the collector died I was appointed for the position in June, 1887.

Q. Do you come under the Superannuation Act? A. Yes, under the old system.

Q. What is your staff? A. There are four; deputy collector, first class excise officer, second class officer, and one who I fancy will be put on the pay list in the present month.

Q. Do your officers receive a regular increase according to the scale set out in the new Act? A. Yes.

Q. Do you receive any special allowance for residence in the west? A. Since January 1, 1911, we have been getting $100, some $150, some $125, and myself and the deputy $100, for provisional allowance.

Q. For residence in western Canada or Victoria? A. I fancy it is for residence in Victoria. Vancouver office gets about the same.

Q. What extent of territory comes under your supervision? A. I have supervision over Vancouver island and the adjacent islands, but there are no factories or breweries on any but Vancouver island.

Q. You do not touch the mainland? A. Not at all.

Q. Have you any officers in other parts of the island? A. I have one deputy at Ladysmith, a deputy at Nanaimo, and an assistant deputy and collector at Cumberland.

Q. In regard to your officials do you find there is any difficulty in keeping them at present salaries? A. No. I think they are all satisfied, and all are good officers. Everything moves along well.

Q. There are no complaints from the public? A. We have never had a complaint. We are on the spot to oblige the public in every possible way.

Q. In regard to your subordinate officials, are they satisfied? A. Yes, and are doing their work well.

Q. About what is the amount of money you collect in your district? A. It is gradually increasing. In 1909-10 we collected $221,109.18; in 1910-11 we collected $243,925.86; in 1911-12 $257,309.29.

Q. Have you had to increase your staff? A. Not for some years.

Q. And you are able to handle the business at the present time? A. Yes, I am.

Q. Do you get your office supplies from Ottawa? A. Yes, except in the case of ink or something small.

Q. From the Printing Bureau? A. We make requisitions on the clerk of supplies.

Q. Does he send them or send on the order to the Printing Bureau?—A. We requisition the department, and they pass it on to the printing and stationery office, who send it on to us.

Requisitions are met promptly and the quality is satisfactory? A. Yes.

Q. Have you any purchases to make? A. Nothing but a small office purchase now and again.

Q. Have you any suggestions to offer in a general way as to improvement of the service? A. No, I have not.

Q. How as to leave? A. Each man is entitled to three weeks.

Q. Can you give me any opinion as to the increase in the cost of living? A. It is a burning question with us all. I should say fully 40 per cent in the last few years.

Q. Say the last five years? A. In the last four years fully 40 per cent increase.

Q. Do you feel you cannot live as well as two or three years ago? A. I certainly cannot, there is not the slightest doubt of that. As to servants, a few years ago a good China boy got $8 to $10 a month, but now you have to pay them $30. Taxes have gone up. House rent for a modest house would be $30 to $35 a month.

Q. What is your salary? A. $2,000 and $100 allowance. My salary was $2,420 when I was doing gas inspection also, and we now pay $1,200 and allowance for that.

Q. Is there just one man doing gas inspection? A. One man reporting direct to Ottawa. I was getting $300 and now he gets $1,300 in all.

Witness retired.

Dr. GEORGE L. MILNE, called and sworn.

By Mr. Lake:

Q. What is your position? A. I am immigration agent and controller of Chinese immigration. I was medical officer as well up to three months ago.

Q. How long have you been immigration agent? A. I inaugurated the service in 1904.

Q. What is the number of your staff? A. Eleven inspectors under the Immigration Act.

Q. All European? A. Yes. I have two Chinese inspectors and interpreters, Lee Mong Kow, and Lee S. Yue. Mong Kow has been connected with the immigration of Chinese at Victoria for 25 or 30 years. The rest are inspectors and clerks, interpreters and guards.

Q. Your jurisdiction simply covers Victoria? A. Victoria and adjacent ports, Esquimalt.

Q. Are immigrants allowed to land at any other port on the Island A. No. Under the Act, Customs officers are immigration agents. Where there are no immigration officers, Customs officers act in that capacity. We have a man who goes through the Island as a sort of inspector and reports here. He is under my branch directly.

Q. As a matter of fact it is not practicable for Chinese to land elsewhere? A. No, and as I say, Customs officers at each port are our inspectors.

Q. Have you any control over their entry into Vancouver? A. We have an officer there.

Q. Under you? A. No. The officer there is controller of Chinese immigration and immigration officer also.

Q. About what salary do your clerks commence at? A. $50 a month upwards.

Q. Do they get an annual increase? A. No. All increases have been granted by the department at their discretion on my recommendation.

Q. Do you find it difficult to keep good men? A. I have kept my men although once one of them retired on account of the wages, the inspector at Seattle now, but he got an increase and came back. Mr. Speed, one of my useful inspectors, gets $75.

Q. Have you anything else to say about salaries? A. Myself, I am the chief complainant. I was getting $2,750 and then had the Chinese work tacked on, with the collection of some $350,000 last month, and they reduced my salary to $2,000 when they appointed a medical officer to do the work I had done in that connection.

Q. Do they give you an increase with the Chinese work? A. No. I was getting $2,750 with the immigration work, and then given the Chinese work with all these men under me, and it was docked $750, which I do not consider right.

Q. What is the increase in the work? A. United States Immigration Department had officers here doing their work before ours, and now has a large staff here.

Q. Is it their system to examine passengers before sailing? A. Yes.

Q. Do they do it in Europe? A. They do it all on the line here. They have officers in Europe I know. They do their work here before vessels sail for American ports.

Q. A man might go without a certificate and be admitted at the other end? A. No, I don't think they would let him start.

Q. How does your present salary compare with those given to men in your position in the east; of course they are not handling the Chinese work? A. They are generally in the neighbourhood of $600 for the Chinese work.

Q. You are immigration agent here, what would you get at Halifax? A. I think about $2,000 or $2,500, but that is only as immigration agent. When I was immigration agent alone I was getting $2,750, but then I was doing medical work. Then there is a lot of money handled.

Q. Do you pay for your own bond? A. No, the government pays for the bond.

Q. And that applies to your staff who are bonded? A. Yes, they pay it.

Q. Are you entitled to leave? A. All the staff are entitled to three weeks leave.

Q. You get no provisional allowance for living in the west? A. Nothing at all.

Q. What is your view as to the increased cost of living? A. The increase even over Vancouver is very great.

Q. What is the increase in the last seven years in the cost of living in Victoria itself? A. Well, it will cost from 25 per cent to 33 per cent more. I think stuff is 25 per cent dearer here than in Vancouver.

Q. For what reason? A. I do not know. It seems to be more or less of a combination than anything else.

Q. How about rents? A. Rents have gone up fully 25 per cent within the last few years, perhaps 50 per cent in some cases.

Q. Do you come under the Superannuation Act or Retirement Act? A. No, neither myself nor any of my officers.

Q. What is your view about superannuation as a financial proposition for the government? A. I do not know whether it would be an advantage to the government, but it would be an advantage to the individual.

Q. Do you think it would enable you to get better men and to have them stay with you? A. Men would be rather more contented and would remain with the department rather than leave.

Q. And without a superannuation system you are liable to be filled up with men beyond their work? A. Yes.

Q. Would it pay the Government even if the employees did not contribute? A. Well, it would give a man something to look to. The provincial government are much higher than the Dominion, and they provide much more liberally in the way of superannuation.

Q. From your knowledge the provincial officials and staff are paid on a much more generous scale than the Dominion officials? A. Yes, there is a considerable increase. They treat their men very liberally indeed. Their salaries are fully one-third more than in the Dominion service.

Q. You say that $350,000 was paid in last month in connection with Chinese immigration. Was it in cash? A. When a ship comes in they give me a cheque for the whole amount, so that in this way we avoid the escape of any of the Chinese.

Q. How does the shipping company do? A. They collect the money from them at the start.

Q. What was the immigration of Chinese last year? A. From July 1, 1911, to June 30, 1912, there were 4,391 Chinese entered Canada here. Then we get paid for board and medical treatment of immigrants in this building. The receipts for board and treatment last month from the ships amounted to $850. Taking out the cost of treatment and of board, it gives us a profit of about $400 a month.

Q. The Chinese all pay the tax?? A. Yes, except the children of merchants only under 21 years of age.

Q. What proportion of Chinese women do you get in? A. Very few, not one in five hundred.

Q. In regard to Japanese, how is it? A. It is just the other way. From June, 1911 to June, 1912, the Japanese immigration was 305 males and 414 women and children.

Q. Japanese immigration is continuing very low? A. Yes. They are supposed to keep it down to about 400 a year, but of course these are women coming to join their husbands.

Q. Have you any suggestions to make? A. No. Things are working very harmoniously. Sometimes we have had to employ extra staff.

Q. Have you had any difficulty in getting men at a salary offered? A. No.

Q. What are the regular hours of your men? A. From eight in the morning till five at night. When men are doing overtime they should be paid. Sometimes a boat comes in any time from five a.m. I think we should be paid on the same basis as the Customs. Sundays and holidays the ships pay, but the government should do it. We have to be careful watching the ships.

Q. You believe there is no smuggling of Chinese going on now? A. No, not so far as ship arrivals are concerned.

Q. Do you have to purchase a number of supplies? A. Yes.

Q. How do you do? A. An order is sent in through me. Nothing is bought here that is not ordered by myself.

Q. To what extent? A. About $150 a month.

Q. Do you make both ends meet in the building? A. Yes, we have a handsome revenue here for the department to between $3,000 and $4,000 a year. I get a Chinese to contract for feeding these people at 36 cents a day, and charge the ships 50 cents. I find it more economical than employing cooks.

Q. All these arrangements are in your absolute control? A. Yes.

Q. When Chinese immigration was under the Customs Department, how did they manage? A. They had to do it chiefly on the wharf and keep them in sheds, handling them poorly.

Q. Was the department at a loss? A. No, I think not. I think they made the ships pay for everything.

Q. Do you manage to make a profit here? A. Yes.

Q. When a Chinaman goes back how do you identify him? A. He has to register here before he goes, for which we charge them a dollar.

Q. Do you think there is much substitution? A. No. Sometimes we find a few frauds, but very few.

Witness retired.

Commission adjourned.

EVIDENCE

OF

HEADS OF DEPARTMENTS

DOMINION CIVIL SERVICE

VANCOUVER, B.C.

Taken before Mr. R. S. Lake, Public Service Commissioner, in the office of the Inspector of Customs.

JULY 30TH AND 31ST, AND AUGUST 1ST, 1912

ROBERT GEORGE MACPHERSON, postmaster, Vancouver, B.C. Appointed September 16, 1908. Salary, $4,000.

Q. Do you contribute to the superannuation fund? A. No, but five per cent is deducted annually from my salary for the retirement fund.

Q. I wanted a general statement as to the position of your staff, rates of pay, hours of work and so on? A. I have been preparing a statement. I did not bring it up with me, but you can put it in. It is not quite completed. The office hours of work I have divided among three staffs of eight hours each. The first staff goes on at eight in the morning and works till four. The next staff works from four till twelve, and the next from twelve till eight, so that we keep as much as possible to eight hours, though there is no suggestion made by the department that it should be.

Q. No excess is paid for night work? A. No.

Q. Do they take that in turns? A. Yes.

Q. And Sunday work? A. Sunday work does not make any difference. We endeavour to give them one Sunday in four only to work.

Q. How do you manage that? A. We manage it by possibly on Monday morning getting on a little extra start, that is that the men go on at four may report at one. It means simply an elastic system by which we endeavour as much as possible to eliminate Sunday work.

Q. Have you any work in the day time on Sunday? A. Yes, it is generally a very busy day.

Q. Is the office open to the public? A. No, but other work has to go on. All Saturday night's mail is piled up, and on Sunday everything has to be up by seven in the morning to get the carriers out. Up till two years ago the office was open on

Sunday, but the men really could not do good work, because of disturbances from men coming and making inquiries. There is no noise now, and I think it is a good thing to close on Sunday. It does not mean extra work on any class of men.

Q. Now as to vacation? A. The city sortation clerks get three weeks' holiday after being a certain time in the service. The first year one week, for the second year one week more if I remember correctly—I am subject to correction, but three weeks is the general rule.

Q. You have a large staff provided? A. Yes, plenty of staff. Of course work is just a little ahead of us in a growing city like this, but not much. Though in fact men always have to have their shoulder in the collar.

Q. You said you were appointed in 1908. Can you give me comparisons between the number of men then on the staff and now? A. The number of men then on the staff was in the neighbourhood of eighty, to-day we have about 210.

Q. Does that coincide with the development of the city? A. Just about.

Q. Do the staff get the same rates of pay as in eastern Canada? A. Yes, with the addition of $15 a monthe for living allowance.

Q. Does that apply to all the staff? A. It applies to all the staff now, except the postmaster and assistant postmaster.

Q. What is the reason given for not applying that to you? A. I have never asked the reason.

Q. Do you know of the existence of any general regulation in regard to it? A. No, but I fancy the reason would be that with $4,000 a year fixed as the maximum for a first-class office it was considered a good salary in those days, some twenty years ago.

Q. And in regard to your assistant who only gets $2,400, the same reasons will apply? A. Yes, when these salaries were fixed they were considered good. Whether they would be considered good now is a matter I do not wish to express myself on.

Q. Do increases of salary in your office go by regular yearly increments? A. Yes.

Q. For all the staff? A. Yes.

Q. How are appointments made to the staff? A. Appointments are made through recommendations by the patronage committee, or the member supporting the government.

Q. Do they communicate directly with you when vacancies occur? A. No, I will apply for one or two men to the department at Ottawa who authorize the appointment of men who shall be recommended by the member of parliament or the patronage committee as the case may be. The member of parliament does it now entirely.

Q. Not the patronage committee? A. No.

Q. Was the patronage committee recognized officially? A. I think so. It was recognized officially where the constituency was represented by the opposition. The defeated candidate at least had a say, although let me say in connection therewith during the whole time that I was member I allowed the postmaster to pick his own men. I had to sanction and he selected the men.

Q. Subject to your approval? A. Yes, always with my approval. I, of course, always approved.

Q. Did these men when selected have to go through an examination? A. They had to pass an examination, and I will say further since coming into the office I have selected my own men and under present conditions I can select or reject men as I see fit.

Q. You are satisfied with conditions? A. Absolutely.

Q. The men in your office, do they have to pass examinations? A. Yes, or they cannot get on the permanent staff. They are appointed at $500 a year with $180 a year provisional allowance. I don't know how it is going to work out.

Q. Are a large proportion of the men now in the office temporary? A. They are all temporary appointed under the late Act.

Q. When did the late Act come in? A. It has been in force now about three or four months.

Q. Previous to that men were taken in and could get on the permanent staff without examination? A. Yes, if they discharged their duty correctly.

Q. Do you find difficulty in getting men? A. No.

Q. And after you have got them and trained them do you find difficulty in keeping them? A. Well we find that if we get a young man—I am free to say we have very few Canadians. Old countrymen stay with us better than Canadian do. The English, Irishmen and Scotchmen stay.

Q. You don't find you are losing your permanent men? A. Not to any great extent. We endeavour to get men who will stay. After a man gets in there is no trouble.

Q. Does he get any examination? A. Yes, he gets an examination on his work before I recommend his increase.

Q. I understand you to say he gets a regular increment? A. Yes, that is subject to a favourable report on his abilities.

Q. How is the examination carried out? A. It is entirely on his work.

Q. On the report of his immediate superior to you? A. No. He is given an examination for example on his ability to sort so many thousand addresses. He has to place them in separate receptacles, and after it is done my officials go over it and find how many he has thrown correctly and incorrectly. If we think fit we give him another examination. If we find that he is a man who will not make good we try to get rid of him, tell him it is well to resign perhaps. After a man has been some years in the service his increase comes regularly.

Q. You have had no examination under the new law yet? A. No.

Q. It is a qualifying examination they go through under the new law? A. Yes, a qualifying examination, a literary examination.

Q. How is the literary examination conducted? A. The papers are sent from Ottawa and the examination is held here.

Q. What is the revenue of your office? A. The revenue was $365,000 for this past year.

Q. It is made up from various sources? A. Yes, stamp sales, commission on money orders and rental of postal boxes. I may say that it is approximately from $360,000 to $390,000 this year, and will come to about $400,000 this coming year.

Q. What is the expenditure? A. I could not give it now, but you will have it in the statement.

Q. About letter carriers. What is the number? A. About 105 men.

Q. What salaries? A. They start at $2.25 a day and go up to $3.25. A letter carrier working regularly who has been five or six years in the service will receive in the neighbourhood of $85 a month, and then he gets as well two suits of uniform two pairs of boots, two caps, a raincoat and street car fare so long as he is in uniform.

Q. There is a distinction between them and the clerks? A. The clerks do not get as much money and are obliged to pay their car fare.

Q. You consider the letter carriers are really better paid? A. Yes, absolutely better than the city sortation clerks.

Q. You mention just one class of clerk, the city sortation clerk? A. It means all men who work inside their office.

Q. In addition to what you have told me the letter carrier gets a certain amount of sick leave or vacation? A. They are both in the same position as far as that is concerned. The city sortation clerk if he is ill gets his pay just the same.

Q. In regard to bonus? A. It is given to the letter carriers. They can either accept an extra number of days for holidays or take a cash bonus of $20.

Q. In addition to the holidays? A. Yes, in addition to the fortnight.

Q. I suppose they work on public holidays? A. Yes, we give one delivery in the morning.

Q. How many hours do they work on holidays? A. On an average about eight hours a day, though of course at Christmas time they work longer.

Q. The present regulation I believe enacts that men shall be two years in each class before getting promoted to a higher class, and the letter carrier only gets no higher grade? A. Yes, but he gets advances in salary just the same every year.

Q. I notice you have four first-class clerks? A. Yes. The first is head of the registration department, the second is head of the money order branch, a third is head of the despatching office, and another is head of the foreign mail despatch. The second-class clerks are men who have been a long time in the office, and who are working up and will eventually command first-class positions.

Q. You spoke of having one of the junior third class clerks as accountant. Is he acting alone at the books, or has he assistants? A. He has three assistants.

Q. Are they also clerks of the same rank? A. One is in the same rank. The other two are less.

Q. And do you consider the responsibilities of that office entitle him to a higher position? A. Yes, to higher pay.

Q. The accountant whom you had before left you? A. Yes.

Q. For what reason? A. He was given a much better salary.

Q. What was the salary given him? A. He started I believe at $1,800 a year.

Q. And he was receiving $900 here? A. Yes.

Q. Have you had many other cases of good men being taken away from you? A. Not many.

Q. The man you mentioned received the offer while in your employment? A. Yes.

Q. Are there any in your office who contribute to the superannuation fund? A. There are a few I fancy. Just the assistant postmaster does and a few others.

Q. And all the rest contribute to the retirement fund? A. Yes.

Q. What is your opinion of the superannuation question, and the effect it would have on the staff generally? A. I really could not offer much opinion on its effect on the staff. My own opinion is that after a man has given the best that is in him for many years to the government of his country his latttr days should be kept free from want by superannuation payments.

Q. Looking at it from a business point of view—this is a young city and I presume that most of the men are comparatively young men—do you think it would pay the government to superannuate their own servants after they reach an age beyond their work rather than keep them on the staff? A. Yes.

Q. Do you not think it would have a good effect on the young men in the service? A. I do.

Q. Have you any views as to what age, if superannuation were introduced, a man should be compulsorily retired? A. I think a man should be compulsorily retired at 65.

Q. Have you any old men getting beyond their work? A. Well, we have one or two.

Q. Why don't they dismiss them? A. Well, these men have to support themselves and their families and the retirement fund they would get would not keep them for a year. They would be paupers if discharged. Their days of usefulness are over so far as making money outside is concerned.

Q. Does this mean that you would not recommend their dismissal? A. I would never recommend their dismissal. Certainly not.

Q. Would it not be detrimental to the public interest to keep men on the staff who are getting beyond their work? A. It is perfectly obvious it would be detrimental, but we manage to let these men down as lightly as we possibly can in their work.

Q. Can you not foresee a time when you will have a considerable number of such men on your hands? A. There is no doubt of it.

Q. And have you not thought about it, and what is the best solution? A. There is only one solution, and that is after a man has given a certain number of years to the service, whatever department he may be employed in, and has reached the age of 65, that the government of the day shall say that the last few years you are going to spend on earth shall be spent at the expense of those to whom you have given such good service.

Q. Are you merely making this statement from a humanitarium viewpoint or from a business standpoint? A. I am making it from a humanitarian standpoint first of all, and business comes in second. But putting humanity on one side and looking at it from a purely business standpoint we must have young men to discharge the duties of the office. I mean by young men, men who have not reached the age of 65. Business demands that young men, full of the fire and vigour of youth shall be employed. The government of the day recognized the fact that when a man who sat on the Bench had reached a certain age his power and usefulness had ceased and they retired him on full pay. If a judge upon the Bench is not able to exercise his duties in a competent manner after a certain age, why can a man who is handling letters or working in any other department do any better? There is not a judge in the country but will retire on full pay after he reaches a certain age no matter if his powers are unimpaired.

Q. How are your letter carriers paid? A. They start at $2 a day with 50 cents living allowance or $2.50 a day and two weeks later they get $2.75 a day. Then they advance by different scales according to length of service.

Q. I want to know how long they are on the first scale before they reach the second? A. They go up by four scales, A, B, C, D and E, with two years between each. As they rise from one grade to the other their wages are increased 25 cents a day till they reach $3.50 a day.

Q. What is the expenditure in the office? A. $192,000 a year.

Q. And the number of employees? A. I think I said before roughly 210, but I have now the figures with me and am able to give you the correct total which is 225.

Q. That includes the letter carriers? A. It includes the letter carriers and the whole staff.

Q. What rates of pay do the junior clerks receive? A. $500 a year to start with and $180 a year for living allowance. Then they get $100 a year increase until they reach $980. At the commencement they are getting $680.

Q. Then after that there are a few offices I presume to which promotion can be made? A. Yes, the men in charge of the different branches of the office.

Q. To what figure practically do their salaries reach? A. We go up to $1,700 for a chief clerk.

Q. Of course there are very few who get that? A. There are two getting $1,600 now, and they also receive the living allowance.

Q. And this $180 a year is an allowance given in addition to the prices paid for the same work in eastern Canada? A. Yes, because of the extra expense of living in the west.

Q. You have lived in Vancouver a long time. What is your estimate of the increased cost of living here say during the past five years? A. I should say the increased cost of living here during the past five years is 35 per cent. It is 100 per cent higher than in 1900.

Q. You were in parliament for a number of years and spent part of the year at Ottawa and were able to make a comparison of living between the east and the west. What would be your estimate of the extra cost of living in the west as compared with the east A. I should think it is about 25 per cent to 35 per cent higher here than in the east.

Q. Do you get any local supplies? A. No, all the stationery and supplies come from Ottawa.

Q. From the King's Printer or from the controller of the postal stores? A. Direct from the controller of the postal stores.

Q. The quality is all right? A. Yes.

Q. And it comes expeditiously? A. Yes.

Q. Have you any suggestions to make which you think would improve the general system or improve the service you are able to give to the people?—A. Well, there ought to be a raise of wages for the men working inside at once.

Q. All round? A. Yes, I think so for the lower salaried men. I am not speaking for anybody else but the men receiving from 680 to 980 a year. I think there should be a substantial increase in that the higher officials need not participate in the raise. I am of opinion also that the letter carriers are better paid than the clerks inside the office. There is no doubt that the clerks are not on the same standard of salary as the letter carriers.

Q. What is your opinion in regard to bringing the post office clerical staff under the provisions of the Civil Service Amendment Act, 1908? A. The outlying principle is all right, but in a growing city like Vancouver the post office will require ten or fifteen men extra a month to meet the requirements. We are 3,000 miles away from the governing body, and if these men have to go up for examination it will take a month or six weeks, or possibly two months, before they can be appointed, with the result that our office would be in a congested condition and we would not be able to meet the requirements of the public. A man will drop out here on one day's notice, and we are obliged to pick up a man who comes asking for a job to put in his place. If you are going to put the postal service of the country on a basis of matriculation examination, I am quite positive it would work havoc in the post office.

Q. Well, have you anything else to say in regard to the service? A. I do not think so particularly, but there is one other point I would like to make, and that is that during the Christmas holiday rush the men in the service are required to work fully double the hours they work during the other times in the year This work is always done in accordance with the spirit of the holiday season. I have never heard a man grumble over the amount of work he has been obliged to do during this season, although not one cent of extra pay is allowed him for his extra work. I have myself during the earlier years of the office given the men a Christmas dinner, but when the staff got so large I found it impossible to continue that plan as I could not afford to spend the money. I am quite of opinion that the government should pay a reasonable extra sum to the men on the permanent staff during the Christmas holidays.

Witness retired.

JOHN RICHARD MURRAY GREENFIELD, post office inspector, Vancouver division. Appointed May, 1904. Salary, $3,300.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. How long have you been in the service? A. I have been in the service practically thirty-nine years. I joined it on October 16, 1873.

Q. How long have you held your present position? A. Eight years since last May.

Q. Do you contribute to the superannuation fund? A. Yes.

Q. What number of staff have you under you? A. Two assistants, eight clerks.

Q. What are their rates of pay? A. One assistant $2,200, one assistant 1,800, one chief clerk $1,450, seven clerks ranging from $500 to $1,050, and one messenger at $2.75 per day.

Q. Is provisional allowance given for extras? A. A provisional allowance of $15 a month is given on all salaries up to and including $1,600 a year.

Q. Does that mean that any officer receiving more than $1,600 a year will not receive provisional allowance? A. Yes.

Q. Are any of your subordinates on the superannuation list A. Myself and the first assistant.

Q. And the remainder I presume contribute to the retirement fund? A. Yes, the permanent officials.

Q. Are all these you have described permanent? A. No, sir. Three are temporaries.

Q. Will they be made permanent presently? A. They are appointed provisionally for a year until they pass the Civil Service qualifying examination. In regard to stenographers and typewriters, it is impossible to obtain competent stenographers and typewriters for the minimum salary paid by the government. The result is that we have to take them from the school of stenography, and two out of three at present are under the age of 16, and will be two years yet before they are qualified to present themselves for the qualifying examination, and according to the provisions of the last Post Office Act we can only give employment for one year in a temporary capacity, so a change will have to made before these can even present themselves for the qualifying examination.

Q. Do you consider that 18 should be the minimum age for permanent appointment? A. No, I would lower it. Seventeen would be a good age.

Q. Do your permanent clerks receive regular yearly increments to their salary? A. Yes.

Q. That comes to them on your report? A. Yes on my report as to their efficiency.

Q. What are their hours of work? A. During the summer months, from the first of June to the 30th of September, their hours are from 9 to 4 with an hour and a quarter allowed for lunch. From the 1st of October till the 31st of May their hours are from 9 to 5 with the same allowance for luncheon.

Q. Do they work overtime much? A. Yes, considerably.

Q. Do you find any difficulty or any objections on their part to doing overtime work? A. None whatever.

Q. What vacation do they get? A. Three weeks in every year, except the messenger who is what we call on the graded list. He is allowed fourteen days annually and a bonus of $20, or in lieu of the bonus he can claim an additional ten days annually making 24 days annually in all.

Q. That of course is longer than the clerical staff are allowed? A. Yes.

Q. The clerical staff I presume just get 18 days? A. Yes, 18 working days.

Q. Have you any difficulty in getting clerks or keeping them when you have got them? A. Junior clerks, yes.

Q. Have you any suggestion to make as to how you could better get good men and keep them? A. Yes, by raising the minimum salary.

Q. What do you think the minium salary should be? A. In the city to-day I think $750, with provisional allowance.

Q. What is your personal opinion of superannuation? A. I am very much in favour of superannuation.

Q. Do you say superannuation would be a good thing from a business point of view, apart from humanitarian considerations? A. I think it is a good thing for the service. Speaking from my own experience I may say candidly that it is the only inducement that has kept me in the service.

Q. Have you any men on your staff who are beginning to get beyond the age of efficient service? A. No. I am very fortunate in that respect. I have a young staff.

Q. But you can forsee a time coming when such a condition will arise? A. Yes.

Q. Can you see any other way of meeting the difficulty which will then confront the government, other than superannuation? A. No. I think superannuation is the proper idea.

Q. At what age do you consider there should be compulsory retirement under superannuation? A. Well of course that varies. I am a man who has passed my sixtieth year and as far as activity is concerned I feel as active and capable as when I first entered the service. Then I know men a good many years younger who are not physically fit to give good service. If there could be an elastic idea of age ranging from 65 to 70 it might work.

Q. You think at any rate at 70 a man should retire? A. Oh, yes, I think compulsory retirement at 70 enough. If I am spared my present good health I hope to retire at 65.

Q. You think you are satisfied as to whether the limit should be 65 or 70? A. No. I say between, but it should not be a greater age than 70. It depends a great deal on the man.

Q. What extent of district does your inspectorate cover? A. It covers the whole mainland of British Columbia from the summit of the Selkirks to the coast, and candidly I cannot tell you how far north. East of the Selkirks is in the Calgary division.

Q. Then do you go as far north as the limits of British Columbia? A. Yes.

Q. And Yukon is in the Victoria inspectorate? A. Yes, Yukon, Atlin and all the islands.

Q. I presume you and your assistant have to be away inspecting a great deal of time? A. Yes.

Q. Are you able to inspect the whole of the district? A. Yes, we manage to do it. We have a system for money order that must be inspected at least once a year?

Q. That is under the regulations of the Post Office Department? A. Yes.

Q. You don't find you have to take juniors out of your office to help? A. Last year we did take one.

Q. The man you took? A. Was the chief clerk.

Q. What is his salary? A. His present salary is $1,450 a year.

Q. You have an accountant in your office I suppose? A. No, I have what they call a second assistant, who takes charge of all the mail service. He takes charge of the books, prepares pay-sheets for all mail services performed. Four times a year the pay-lists go out. This pay-list has to certify that all services for which payment is asked has been performed.

Q. You handle no money? A. Practically no, the only money we handle would be, supposing we closed the post office, the postmaster would have to turn in his stamps and money and we would put it in the post office and send it to the department.

Q. About what is the amount of expenditure in your postal division? A. The expenditure for mail service is annually approximately $172,000.

Q. Can you make any suggestion for bettering the service? A. Do you mean in regard to salaries or anything like that? Well I have already suggested that the minimum salaries be raised to $750 a year, and of course as I have already stated I am strongly in favour of superannuation, and especially on the lines of the Bill that was introduced into the Senate some two or three years.

Q. By Senator Power? A. Yes, for the simple reason that it makes provision for a civil servant's wife and family, both in event of his dying before obtaining superannuation and after.

Q. Is it that particular feature that makes you favour Power's Bill? A. Yes, it is that particular feature.

Q. No other feature in that Bill appeals to you? A. No. I am perfectly satisfied.

Q. As a business proposition do you think superannuation would be a good thing? A. I do unhesitatingly, and in saying it I speak from my own experience during the long time I have been in the service.

Q. You don't purchase any supplies outside? A. No.

Q. What is your experience with regard to the cost of living? A. It has increased I should say in the last three years in Vancouver basing it on a conservative estimate, fully 25 per cent.

Q. It is a matter you have thought about a great deal, a deliberate judgment based on your experience? A. Exactly, yes, and by my own household expenses.

Q. Have you any further suggestions? A. I would also suggest the extension of the provisional allowance to all employees west of the Great Lakes regardless of rank and salary.

Witness retired.

JOHN MOORE BOWELL, collector of customs, Vancouver, B.C. Appointed July1, 1887. Salary, $4,000.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. Had you been in the service before you were appointed to your present position? A. I joined the service as a junior clerk in the department on October 1, 1878. I was private secretary to my father at that time Minister of Customs.

Q. You contribute to the superannuation fund? A. Yes, I always have since I refused to change to the retirement fund. I have been in the service 35 years, and in two years more or thereabouts I quit paying two per cent of my salary, and I get seven-tenths of the average salary for the last three years service.

Q. I would like a statement of the number and positions held by different members of your staff? A. I am having that made out in a tabulated form.

Q. What are their hours of work? A. From nine till four.

Q. That is the inside staff? A. Yes, that is, but the outside staff work from eight in the morning till six at night—that is landing waiters and the lockers and the appraiser's staff, they are usually off at four but they can be called upon up till six. In the long room they are supposed to work from nine till four, but while they are locked up to the public then, they have to stay as in a bank or counting house and finish the work for the day. They have to be there till such time as they get through.

Q. In regard to the outside staff if they are working beyond the hours specified—A. They get forty cents an hour.

Q. That is allowed by the department? A. Yes, it is collected by me, sent to the department and then sent back to me.

Q. Is any charge made for boats arriving during the night? A. Yes, we have five or six clearing officers in the long-room, and we can clear any hour of the night.

Q. There is no extra fee payable by the boat itself? A. No, the department pays it.

Q. So that a boat coming here any hour of day or night is entitled to your services? A. Yes, a man is set aside to enter and clear a boat any hour in the night. The officer receiving has to provide his own telephone, and we insist upon a telephone being in his house.

Q. What vacation are you allowed? A. I have power to grant three weeks leave of absence in a year.

Q. In the matter of pay, do they get the same rates as officers holding the same position in eastern Canada? A. Generally speaking I think they get a slightly higher salary.

Q. Have you worked it out? A. No, I have not, but can tell you by looking up the establishment returns.

Q. No provisional allowance has been made for Custom officers in the west? A. No, I think we are the only branch that has no provisional allowance.

Q. The fact that you are living in the west is not recognized as entitling you to a specific increase to your pay? A. No.

Q. At what rate of pay do your junior clerks come in? A. At present all my new appointments in the longroom are made at $1,000.

Q. Does that include the clerical staff? A. Yes.

Q. They are being appointed at $1.000? A. Yes, that is the last appointments. Previous to that it was $800 and $900.

Q. Up to what figure do they rise? A. Just whatever the government chooses to give.

Q. No regular increments of increase? A. Not that I know of.

Q. Any increase of salary given, have first to be recommended by you and passed through the minister? A. They send me a return on which I send a report good, bad or indifferent, and the government make their own increases.

Q. But the increase does not come with any regularity? A. In the past few years it has been about $50 a year all round.

Q. On all who are reported as being good? A. Yes, and some few that I declined to report on.

Q. That you personally did not think worthy of increase? A. Yes, though I always give a man a good report if I can.

Q. Then these officials who enter at $1.000 a year, to what can they rise? A. If they pass the Civil Service examination, I should think to $1,200 till they get their promotion examinations.

Q. Promotion examination is examination in the work of the office? A. Yes, schoolboy examination practically—mathematics and all the rest of it.

Q. How long has a man to be in the service before he can enter for these examinations? A. As soon as a man has passed the qualifying examination he can ask approval for the others.

Q. Can you take any one into the service unless he has passed the qualifying exercises? A. Only the examining officers on the dock.

Q. Have you any class of men employed without examination? A. They all pass a preliminary examination in reading and writing and rough arithmetic before we put them on the staff as temporay clerks. They pass an examination before the inspector.

Q. In regard to the examining officers who have not passed examinations, what range of salary do they get? A. The highest to-day is $1,000.

Q. What are their duties? A. On the docks checking in freight off vessels, checking it out again, and they are also sent out to look after smuggling cases.

Q. All employed outside? A. Yes.

Q. How many officers on the temporary and permanent list? A. I will give you that with the other statement.

Q. Do you have any difficulty in getting good men or in keeping them? A. No, but we have difficulty in keeping good men. I have two men in my long room that my chief clerk tells me he has been told will only remain till just such time as the merchants want them.

Q. You fill the ranks of these clerks with men who are nominated by the member for the constituency? A. That has been the system for years, but they have to pass a qualifying examination before the inspector before they can be made permanent.

Q. What would be your opinion of leaving all appointments open to competitive examination? A. I would be strongly in favour of it, with the exception of the collectors.

Q. At what age do you think a man or boy should be allowed to enter the service? A. About 18, not younger, that is as clerk. Of course as messenger boy or stamp clerk about 16 or 17 would do.

Q. Do any members of your staff contribute to superannuation besides yourself? A. Yes.

Q. How many? A. I can only think of Colonel Worsnop and myself.

Q. And all the rest contribute to the retirement fund? A. Yes, I think so.

Q. Have you formed any opinion on the age at which retirement should be made compulsory, provided you had superannuation generally applicable for the service? A. I have always thought that a man's term of office might last till such time as he is unable to hold it. I do not think when I am 60, about five years from now, the office will be any the worse from my being in it.

Q. Then you don't think there should be a compulsory limit? A. I don't, more than in any other business.

Q. In the public service in other countries they have fixed limits? A. I know that, but I don't approve of it, because many men are just as good at 60 as others at 40.

Q. Have you any men on your staff who are getting beyond the age to do effective work? A. Only one or two including waiters. Beyond that I have altogether a young staff with the exception of two or three men who were in a few years ago.

Q. Have you a man over 70? A. No, I never had.

Q. The service in your opinion then would be improved if you felt yourself free to dismiss two or three of the oldest employees and put younger men in their place? A. Yes.

Q. The reason that prevents you from carrying it out is humanitarian? A. Exactly.

Q. What is your opinion of a general system of superannuation? A. I have never studied it thoroughly.

Q. Do you believe it should be general in the service? A. Yes.

Q. If it was to be brought about that every man in the service must contribute to the superannuation fund? A. Yes, but I would like it put on a different basis than it is to-day. For instance, I retire to-morrow, and two months from now I die. I have been paying into that fund 2 per cent all these years, and when I die my wife gets from two to three months' gratuity.

Q. And if you die before superannuation she gets nothing? A. Yes, for two or three months probably the same.

Q. Would you be prepared to say that a man should contribute even more than 2 per cent? A. I would be quite willing to pay 5 per cent the same as the retirement fund, if I knew that my wife as long as she remained a widow would have some compensation, and the children also till they are of working age.

Q. As a business proposition, do you think you could get and keep better men and give better service under a superannuation system? A. I am certain of it. It is the only reason that has kept me in the service.

Q. That would also apply to young men thinking to enter the service now? A. I think so.

Q. Quite apart from the humanitarian standpoint? A. Yes, it is a business proposition entirely. If a man knows that his family will be assisted if anything happens to him he will think twice in leaving it. I will give you a sample. In the past year the cashier who was handling my cash for years left. The Board of Trade wanted him and offered him $3,000 a year.

Q. What was he receiving from you? A. $1,800, I think. He suddenly informed me that he was going to quit and he quit. Two weeks afterwards in came my assistant cashier, whom I brought up to the work, and he resigned. He was also offered employment at a better salary.

Q. Did it cripple the work? A. Yes, because I had to teach new men.

Q. You were appointed here in 1887 you told us. What were the customs receipts then and what are they now? A. From July 1, 1887, to June 30, 1888, they were

$67,000, and for the year 1910-11 collections were $8,645,000. I expect this year we shall go over $9,000,000.

Q. Do you find the cost of living has gone up much? A. When I came here first the salary was $1,800, and I could live better then than on $4,000.

Q. But within the last five years has there been any material increase? A. In the last ten years there has been about 50 per cent, and in the last five years about 25 per cent. My grocery bills a few years ago would run to $25 a month, and now they run to $50 or $60.

Q. The same family? A. Only that one girl is dead and one boy married.

Q. You have your own house? A. Yes, and it is a good thing I do. The house that I used to rent for $50 a month you could get $100 a month for easily now.

Q. Have you any suggestions you could offer to make the service of your department better, I mean in the way of improving the status of the officials and looking simply to efficiency in the service? A. Well, I think the new men coming into the service should be put into the junior branches and the older men advanced—the capable men I men.

Q. What you mean is that the junior men entering the service should see a prospect of promotion to the higher branches? A. Yes, and I am adopting it now as fast as I can.

Q. Just now you said you would not fix a specific date for retirement. Don't you think if you had a definite age fixed it would enable you to accelerate promotion? A. It might have that effect. I did not think of that point of view. The only thing is that I don't think a man who can earn $4,000 should have to get along on $2,800 a year when he is still capable of earning his full salary.

Q. Have you any suggestions you can think of at present? A. There is one, that I do not think that younger men coming into the service should receive more salary than the older clerks who are just as capable and more capable. The new men coming lately have been getting $1,000 a year on first appointment, while I have men on the staff who were appointed at $800 and have only been increased to $950 this year. These men are capable and know the work while the younger men have to be taught. While the minimum salary has increased, those already in the service should be increased in proportion. I had a young man recommended for permanent appointment some time ago. They have given him the permanent appointment, but have not increased his salary. He has been with us two years, and is one of the most capable men in the branch, and only gets $950, while several new men are getting $1,000.

Q. Anything more you can think of? A. Not at the present moment.

Mr. BOWELL recalled the following day, and examination continued.

Q. How many men have you in the Customs Department here? A. There are 43 on the permanent staff including myself, and 78 temporaries, 121 altogether.

Q. These temporary men have many of them been a great number of years in the service, and to all intents and purposes are permanently employed? A. Yes.

Q. How many would you consider absolutely temporary? A. Not one. A number have only been employed within the last six months, and they will not make any one permanent until they have had six months probation.

Q. Outside of those a large number have been here a long time? A. Yes, some of them ten or twelve years.

Q. And these men while doing the work of permanent officials receive none of the benefits, neither holidays, sick leave or anything, and if they are absent for a few hours they lose their pay? A. Not for a few hours, but if absent for a day they are not paid.

Q. In your opinion, the regular officials should be put on the permanent staff, or let out if they cannot pass the examinations? A. I would think so.

Mr. Bowell also handed in statements showing the salaries received by two of his former officials who had resigned: Mr. Blain, formerly chief clerk, had received $1,500 in the Customs, and was now secretary of the Vancouver Board of Tade at $3,000 a year. Mr. G. McLellan, who was getting $1,800, had resigned to take a position with a private firm at a much larger salary though he could not say what he was receiving. Mr. Bowell also handed in a statement by the chief of police of Vancouver showing salaries paid civic officials, which was duly filed with the secretary.

Witness retired.

CHARLES ARTHUR WORSNOP, surveyor of customs for the Port of Vancouver. Appointed 1895. Salary, $2,400.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. How long have you been connected with the service? A. I entered the service temporarily in October, 1888, and was permanently employed the following year. I have held the present position seventeen years.

Q. Do you contribute to the superannuation fund? A. Yes, two per cent.

Q. You have charge of the outside staff of the port? A. Yes, everything outside the long room.

Q. How many men have you? A. Sixty-four on the outside staff.

Q. Can you tell me taking similar offices in eastern Canada, whether you are receiving a higher rate of pay at this port than they are there? A. I don't think so.

Q. Do you get any provisional allowance? A. No.

Q. Do you find much difficulty in keeping your men after they have become experienced in your work? A. There is always a tendency to drift away.

Q. Has that tendency been increased during the last few years? A. I think it has.

Q. And what do you put down as the reason? A. On account of the greater opportunities that have been offered outside the service.

Q. And generally speaking, you think salaries should be higher? A. I think they should be higher to retain the men.

Q. And in regard to superannuation, what is your view? A. My own impression is that superannuation is a very good thing, but I think it should be coupled with some allowance for the widow and children in addition to superannuation.

Q. Would you personally be prepared to pay a very much larger amount if it carried with it provision for your wife and family when you die or after retirement? A. Personally I do not think I would, because I already carry life insurance, and have been paying for so long on the other basis.

Q. Do you think it would be a good thing for the service generally and for the public if any new man in the service had to contribute say 5 per cent, to superannuation, provided after a certain time the wife and family or the heirs should participate in the benefits? A. I think it would be a good thing to provide an incentive to young men entering the service to make it their calling.

Q. And in regard to superannuation from your point of view, you would make it compulsory, and as a business proposition do you think superannuation a good thing? A. I do, but would like to see it made wider.

Q. Have you any men in your staff who are beginning to get beyond their work on account of age? A. Yes, there are several men who are pretty well on in life.

Q. If they were entitled to superannuation allowance, would you recommend superannuation? A. I would.

Q. And do you consider it would be in the public interests to pay superannuation rather than maintain them in their positions at the present salaries? A. I think so.

Q. It would also probably have the indirect benefit of inducing better men to come into the service? A. Yes, I believe it would.

Q. Have you any opinion as to the age at which, if there were a regular superannuation system, a man should be compulsorily retired? A. I think a man should retire at 65 years of age.

Q. In regard to the cost of living in the west, there has been a great deal of complaint made that it has increased greatly during the last year or two? A. It has increased very much.

Q. Say in the last five years, can you make an estimate as to what the increase would be? A. I should say that in everything it has been from 20 to 25 per cent, and in many things from 75 to 100 per cent.

Q. You have been here you say since 1888? A. In the service, yes.

Q And the increase has been very considerable since that time? A. It has indeed. In the last five years particularly.

Q. You have no doubt been thinking a great deal about the service. Have you any suggestions to make that will tend to improve the class of men you get into the service, and improve the service generally speaking from the point of view of the staff? A. My own opinion is that if the outside service were put under a Civil Service Commission or some such body it would be better.

Q. That is, you would have the whole thing made over to competitive examinations? A. Yes, qualified by selection, of course. I mean the system of appointment on political grounds is unsatisfactory from any point of view.

Q. You would have the whole service open to competitive examination? A. That is another matter.

Q. But you don't believe in political influence coming in, and who would you have to nominate candidates? It must be either nominative or competitive? A. It would be better to have competitive examination.

Q. Then you would abolish all political influence after one is once in the service? A. I would.

Q. Anything else you can think of? A. I am sorry to say we have a number of men in the service who were appointed late in life, and it would be better if we had younger men, especially for the branch of service outside, where they have to be out in all weather and on their feet a great deal. I do not think these men should be appointed.

Q. At what age do you think men should enter the service? A. About 18.

Q. Have you known instances of men being appointed at upwards of 70 years of age lately? A. Oh, no, not recently.

Witness retired.

THOMAS RIDDELL BOYCE, inspector of ports. Salary, $2,000.

Examined by Mr. R. S. LAKE, Public Service Commissioner, July 30, 1912.

Q. How long have you held your present position, and how long have you been in the service? A. I was appointed as inspector from the 1st of January, 1912. I have been in the service since the 22nd of May, 1888.

Q. Where did you do service? A. At Port Arthur, Ontario.

Q. All that time? A. Yes, up to the present year.

Q. Do you contribute to the superannuation fund? A. Yes, I have ever since 1889.

Q. Is Port Arthur the headquarters of your inspectorate? A. No, not yet.

Q. In what division does it come? A. In Hamilton.

Q. What position did you hold at Port Arthur? A. My position when I left was chief clerk, and I was acting collector during the absence of the collector.

Q. What does your district here comprise? A. That is a hard question to answer, and I will have to explain. My appointment on the first of January was for

the district formerly controlled by Mr. E. F. Busby, which comprised the whole of the mainland of British Columbia. But I have received a letter from the superintendent of inspection since that informing me that my district consists of Vancouver, New Westminster, Abbotsford and Revelstoke, which would take me down Okanagan lake. I suppose they intend to appoint another inspector as the work is growing.

Q. The Victoria inspector has a separate inspectorate altogether? A. Yes, he has Vancouver island and the Yukon.

Q. How many are there in your office? A. I have not anybody, but the department have expressed a wish to appoint an assistant.

Q. You have not even a stenographer? A. No.

Q. You are away part of the time I suppose? A. Yes, I am away probably nine months in the year.

Q. How often are you supposed to inspect offices? A. Once a year.

Q. Then you must be in nine months giving a more frequent inspection? A. Mr. Busby told me he was seldom away more than three months, but then he had an assistant and could get through the work more than I can.

Q. Before your district was divided what additional ports did you have over what you have at present? A. I have lost Grand Forks and three outports, Greenwood and five outports, Rossland and two outports. That is all in addition to what I have at present.

Q. Under Mr. Busby did you have any staff besides an assistant? A. We had one assistant, but Mr. Busby was a sort of acting superintendent of inspection during the last year or two.

Q. For what district? A. For no district. He enjoyed the confidence of the department and was consulted in matters regarding other inspection districts.

Q. Outside British Columbia altogether? A. Yes. For instance he sent me to Calgary to stay for a month. Then he sent me to Kingsgate, Rykerts and Gateway, all outside my district.

Q. What was his salary as inspector of this district? A. $2,500.

Q. Then are we to assume there is no special salary attached to the position of inspector of customs for Vancouver? A. The minimum salary under the law is $2,000, passed years ago.

Q. That applied to all parts of Canada? A. Yes, on inspectors.

Q. Are there no increments? A. No. The maximum salary of $3,000 was changed last session.

Q. And in order to get any increase above $2,000 it will be at the discretion of the department? A. I suppose so.

Q. You have had some experience of the cost of living at Port Arthur. Can you give us any comparison between there and here? A. Yes. I had a good house in Port Arthur that I paid $25 a month for rent; that same house in Vancouver I could not rent for less than $75.

Q. What about the difference in the cost of groceries? Are you a family man? A. Yes I am a family man, but I am not keeping house because it is cheaper for me to send my three children to Columbia College where I pay at the rate of $75 a month.

Q. You feel that your present salary while sufficient in Port Arthur is insufficient to enable you to live here as you have been accustomed to? A. Yes.

Q. I gather from that you consider that living is considerably higher in Vancouver than in Port Arthur, and it would be an equitable arrangement if an allowance were made for it? A. I think the minimum for Vancouver too low. As a matter of fact if I started housekeeping I would be put to the cost of a rent of $75. It is cheaper to send the children to college.

Q. The $2,000 I understand is the minimum for the inspector in the east, so

that as a matter of fact the inspector in Vancouver gets no more than the inspector in the east? A. No.

Q. Are you entitled to leave of absence? A. Yes, I am entitled to three weeks leave, the same as other officers.

Q. Some officers do not get that? A. Well, I really don't know that. I know that it is the common allowance.

Q. What is the revenue of your district as far as you know? A. This is only an estimate, but roughly speaking it is eight and a half millions.

Q. How much from Vancouver, and how much from elsewhere? A. Vancouver will be $7,000,000. New Westminster, Abbotsford and Revelstoke make up another million, that is roughly.

Q. I presume there are a number of outports? A. I have four ports, 19 outports and four preventive stations.

Q. And have also officers stationed at different points on the frontier who may be called upon? A. Yes.

Q. What salary do they receive? A. The majority receive less than $1,000.

Q. How many preventive officers have you? A. There are about eight frontier preventive officers.

Q. And at what salary do they begin? A. As a rule they are appointed at $900 but some are increased to $1,000 and some to $1,100. They range from $900 to $1,100.

Q. You can get good men to work for that money? A. Yes, we have men who will take the position for that looking for better times.

Q. Have you any suggestions for the improvement of conditions that would make your branch of the service more efficient? A. Yes. I think the minimum salary for British Columbia for all officers should be $1,000. It is absolutely impossible for a man in British Columbia to live decently on less, and they are handling enough revenue. Their responsibilities are great. Many a time they take their life in their hands in the prevention of smuggling. I think $1,000 should be the minimum.

Q. I suppose there are temptations to men on small salary? A. There are temptations to every man with a small salary and a family to keep.

Q. If there was corruption going on I suppose you would find it out? A. We have good officers on the frontier, but do not trust to them entirely. An army of a hundred officers could not stop petty smuggling going on—opium for instance.

Q. Have you no other suggestion? A. I have none except that the minimum salary is too low. As a matter of fact I have not been long enough in British Columbia to know the conditions here.

Q. You told me something in regard to the increase in the price of houses, and then put me off saying you were not keeping house, but I presume you had the curiosity to inquire about the cost of things? A. Oh, yes. The cost of commodities here has gone up I should say ten per cent within the last year.

Q. Compared with Port Arthur when you came here how did you find them? A. I found them higher.

Q. Much higher? A. I have not gone into the matter, but I should say about 25 per cent higher.

Q. Is Nelson an outport? A. No. Nelson is a port of entry attached to the Calgary inspectorate.

Q. What is your opinion with regard to the retirement fund? A. To my mind it does not work out with any benefit to an officer.

Q. I suppose you are under superannuation? A. Yes. I would not come in under the retirement fund.

Q. Would you advocate for the future that superannuation should be made compulsory and all salaries come under it? A. Yes, I think I would, and the retirement fund whereby the department compelled you to give up five per cent of your salary and allow you 4 per cent interest half yearly should be done away with. I can take 5 per cent of my salary and place it in the savings department in a bank and draw

interest on it, and then if I wanted to use it I could get it. Under the retirement fund I could not.

Q. Have you any views as to the compulsory retirement of those who come under the Superannuation Act? A. You mean those who have been under the Superannuation Act?

Q. Yes. At what age should they be called upon to retire? A. I have not any views at all, though I don't think they should be called upon to retire until they are incapable. I have found capable men at 70 years and some incapable at 40.

Q. Have you any idea of the total revenue of the British Columbia ports? A. The revenue for the Victoria district would be about four millions, or twelve and a half millions for these two ports.

Witness retired.

EDWARD BAILEY PARKINSON, collector of Inland Revenue, Vancouver, B.C. Salary, $2,200.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. How long have you been in the service? A. I joined May 3, 1893. I was appointed collector of Inland Revenue in January, 1908.

Q. I suppose you contribute to the superannuation fund? A. No. In 1897 or 1898, when we had to elect whether we would remain under superannuation or come under the retirement fund I came under the retirement fund.

Q. What staff have you? A. Eight officers in my office.

Q. Inside and outside? A. No, we have a big staff of officers. This is my permanent list.

Q. Have you an assistant? A. Yes, and an accountant and six clerks. I have four officers in the distillery at New Westminster and nineteen or twenty other outside officers.

Q. What pay do your outside officers get? A. The highest is $1,300 and the lowest $200, but the man getting $200 is only giving part of his time to the work. For the man giving all his time the lowest is $1,300.

Q. They get all fairly paid I presume in accordance with the duties required of them? A. Well paid indeed. Far better than the inside officers.

Q. With regard to the inside office, at what salaries do they commence? A. A third class officer during a probationary term of six months gets $600 per annum.

Q. Does he get provisional allowance? A. He does when permanently appointed. During the first six months after he is appointed he is paid at the rate of $700 a year. It is hard to get officers who have passed examinations in the east, so a man is allowed to come in and has to pass a qualifying examination within six months during which he serves as a probationary officer. If satisfactory, he is made a permanent officer and commences at a salary of $700 per annum, and goes up by annual increments to $1,000, which is established as the maximum.

Q. Does this scale apply in the east as well as the west? A. Yes.

Q. Do you get an additional allowance in the west? A. Yes.

Q. Can you give me any general idea what that is? Is it settled arbitrarily? A. Yes. We had no say in it. We had a statement sent out authorizing me to pay the sums set down as provisional allowance for residence in British Columbia. It varies from $50 for junior clerks to a maximum of $150 a year.

Q. This provisional allowance is fixed upon no regular scale that you are aware of? A. No.

Q. Have you any criticism to offer in regard to it? A. I think it is generally agreed that the provisional allowance is not quite fair.

Q. For what reason? A. One officer that is getting we will say $2,100 a year, a married man with five children, who has been twenty years in the service. He gets $100 a year provisional allowance. This man supports a wife and five children and pays $50 a month rent. On the other hand here are younger officers only three or four years in the service getting from $900 to $1,200 or $1,250. It is felt by some of the older heads that we do not receive the recognition we should. The old standard was that if a man received $1,000 a year he was not entitled to provisional allowance. This has only been going a short time. The older officers maintain that it is unfair to set a standard that a young officer living at home with his parents gets one half the older officer's salary besides a larger provisional allowance.

Q. Do you consider that the junior officers of your inside staff are getting sufficient pay? A. No, I don't, in comparison with what has come before me lately in regard to the Customs. These officers have been with me three or four years passing revenue examinations and high school examinations, while young fellows are getting $1,000 who are quite inexperienced.

Q. Do you find it difficult to keep clerks after you trained them? A. That question is hard to answer. They are all looking to the future. The clerks I have chosen myself all stay with their parents and get off very easily, and I am able to keep them.

Q. What hours do they work? A. From 9 to 4, though 8 to 6 are the hours if required.

Q. Do you find you have more men than you want? A. No, I am well fixed for officers just now.

Q. Have you had to make an increase lately? A. Not for three years past.

Q. How much vacation do you allow? A. Three weeks per annum.

Q. Do your officers have to give bonds for the discharge of their duties? A. Yes.

Q. Do they pay for it themselves? A. Yes, it is taken out of their salary monthly.

Q Do you keep any men on the staff who have failed to pass examinations? A. Yes, I do.

Q. How many? A. I have only one now in the regular office.

Q. He has never passed an examination? A. He has tried three or four times. He is a splendid officer, but no matter how much you coach him he falls down on examinations.

Q. What salary is he getting? A. He is only on the temporary list, and is getting $600 with provisional allowance. He gets I think $700.

Q. How many temporary officers have you? A. Eight or nine.

Q. And they would come in at what figure? A. Many are outport officers. They vary from $200 to $500.

Q. But they are men who have other business as well? A. Oh, yes.

Q. What area of country is served by your staff? A. All the mainland of British Columbia, that is the Vancouver division.

Q. What is the amount of your revenue? A. From April 1, 1911, to March 31, 1912, our last figures were $633,283, an increase of $107,000 and some odd dollars over the previous year.

Q. How does it compare with five years ago? A. I have not the figures for five years, but since 1906 it has increased $288,950 in six years.

Q. Have you any suggestions to offer which will improve the service you can give to the public, looking at it chiefly from the point of view of improving the efficiency of your staff? A. With one exception my officers have done very well in passing examinations and are an attentive, good lot of officers.

Q. Have you any suggestion to make in regard to them, on superannuation and matters of that sort? A. I think the boys ought to receive more recognition in salaries, and there should be a larger allowance for the increased cost of living in the west.

Q. Any particular view in regard to superannuation? Do you think there should be superannuation for the whole service, all to contribute? A. I do, and it is the general view as long as there is provision for the wife and children.

Q. Have you any men on your staff who are beginning to get beyond the age of effective service? A. None whatever.

Q. But of course that condition must arise some time in the future? A. Yes, sir. But the majority of my officers up country and local are quite young. I have one only that I am not satisfied with.

Q. He is getting a little old for his work? A. Yes.

Q. What steps do you intend to take when he gets so old that he cannot do his work properly at all? A. I don't know, it is only a small matter. He has one little cigar factory to look after and he also keeps the post office.

Q. So he will be provided for to a certain extent? A. Yes, he is very well off.

Q. Have you formed an opinion on compulsory retirement? A. I have not really.

Q. Have you any suggestions to make in regard to improving the service? A. I consider that the minimum and maximum salary for the grade of each officer should be raised $200 to be commensurate with the salaries paid by commercial firms. I also think that the increase takes too long for each officer. We think that a man of my age is a better man and better deserving of the maximum salary than he is seven or eight years later. We think that the men ought to be graded $2,300, $2,500 and $2,800 and to arrive at the maximum in three years instead of seven.

Q. You have already said that the cost of living is very great. Have you noticed any great increase in the last few years? A. Yes. My rental has gone up since three years ago last June from $32.50 to $50 a month.

Q. And about your grocery bills? A. There is no question in my mind but everything has increased.

Witness retired.

JAMES STOTT, inspector of gas and electricity.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 30, 1912.

Q. Under what head do you come? A. I report to the department at Ottawa.

Q. Have you an office and staff? A. Yes. I have an office with three assistant inspectors and one clerk.

Q. How long since you were appointed? A. I have been three years in Vancouver and one in Alberta.

Q. What pay do your officers get? A. $1,200, $1,150, $1,050, and the clerk $800.

Q. Are these the same rates paid similar officials in the east? A. I think not. Taking five of the largest cities in the east I think the run is higher.

Q. Have you much electrical inspection work? A. In electricity we lead in the number of meters inspected, and we have about four or five thousand in gas.

Q. There is no additional allowance made in respect to residence in the west? A. There is an allowance in the blue book, but it is more or less meaningless to us. It applies only to officers drawing less than $1,000 a year.

Q. Does your clerk receive it? A. No, he is only temporary.

Q. Has he to pass an examination? A. I don't know. There has never been any grading done with reference to clerks.

Q. How long has he been with you? A. He has been here about nine months.

Q. Is he the first clerk you have had?—A. Yes.

Q. So you have not had much experience with other clerks? A. No.

Q. Do your sub-inspectors get regular increments of increase? A. No.

Q. Do you yourself? A. No. I have had only one increase in the last four years.

Q. That was granted simply at the discretion of the minister? A. It came from Ottawa.

Q. Are you asked at any time to recommend increases for your subordinates? A. No.

Q. What hours do you work? A. In the office from 9 to 4. Outside work, of course, is different.

Q. Do all your officers do outside work? A. Yes, the inspectors. We have all the mainland of British Columbia to look after.

Q. In the office hours, from 9 to 4, are the inspectors much in the office? A. No. The assistant inspectors have to inspect the meters on companies' premises.

Q. Do they have to do a great deal? A. Yes, they have to do a great deal now. We are working short handed.

Q. But you have to get through the work? A. Yes.

Q. Have you had to increase the staff lately? A. Yes.

Q. How long ago? A. We got one on the first of July last.

Q. What was he paid to begin with? A. $1,200.

Q. But inspectors formerly were receiving less on appointment? A. Yes, and are still receiving less.

Q. So you have a new man receiving more than an old one? A. Yes, they made that arrangement that when a graduate in electrical engineering was appointed he should not receive less than $1,200.

Q. No complaints have been made that new men are being brought in under similar conditions and are receiving higher salaries than the old hands? A. No, we have had no complaints.

Q. Outside of your clerk they are all on the permanent list? A. Yes.

Q. Do they contribute to the retirement fund? A. No.

Q. There is no deduction from their salaries? A. They have to pay for their guarantee bond.

Q. What is your opinion in regard to superannuation? A. Well, I would not like to express an opinion. I have not really looked into it, but I think generally speaking superannuation would be a good thing.

Q. And as far as you are concerned you would be willing to contribute out of your salary? A. Yes.

Q. Is there any suggestion you would like to make? A. Well, in connection with the inspection of gas and electricity I think the standard should be raised all around as far as men and salaries are concerned. We have to do with some very important matters sometimes in settling disputes between large companies, which require a very accurate knowledge of electrical apparatus, and it needs trained men to handle the work, and yet the government is keeping down the salary to that point where we cannot get the best men.

Q. So that in addition to inspecting meters you have to settle disputes? A. Yes. If the meters are all right it is easy; but it is a question whether a meter is right or wrong. One company says it is right and another says it is wrong, and a man has to be the judge.

Q. Do you find any appeals to the law courts after your decisions? A. We have not had any.

Q. Have you any other suggestions? A. In connection with the clerk—it is a new thing in connection with gas and electricity, and I really think the clerk should get more than $800 a year in this country. The man we have is a married man, 40 years of age and has a family, and to live in Vancouver on $66 a month is pretty hard. Then the standard should be raised both for examinations and salaries.

Q. You want a higher standard of men and salaries also? A. Yes.

Witness retired.

The Commission adjourned.

MALCOLM R. J. REID, Dominion Immigration Agent and Controller of Chinese for the Port of Vancouver. Salary, $1,500.

Examined July 31, 1912, by Mr. R. S. Lake, Public Service Commissioner.

Q. How long have you been in the service? A. I joined the immigration staff on October 14, of last year. I was appointed Dominion immigration agent on March 21, of the present year and made agent and controller on April 1.

Q. What was your business previously? A. I was a teacher in the city schools for five years.

Q. You had no experience in immigration affairs? A. Not up to that time.

Q. What is the number of your staff? A. In the immigration department there are two inspectors and one stenographer; in the Chinese department tyo inspectors and one stenographer. We have had authority for another inspector who is coming on in the morning.

Q. What salaries do they get? A. The least is that of the stenographer who gets $1,000 a year. He is a man who was recently appointed.

Q. Did he get that to begin with. A. He got that to begin with. The least paid inspector gets $100 a month, the next inspector $100, and the next inspector gets $125.

Q. What did you say your own salary was? A. $1,500 a year for the inspectorship.

Q. Have you a medical inspector? A. Yes, he gets $1,500 a year.

Q. All his time at the disposal of the department? A. Yes, but his duties are very light. He only meets and passes the boats.

Q. What are your hours of work? A. From 9 to whenever you are through. We are supposed to quit at 5, but I never quit at 5 since I went into the service. There is no overtime, but if we work overtime on Sundays checking out Chinese the Canadian Pacific Railway pay the men overtime.

Q. Then you have to meet any boat that comes in at any time? A. Yes, at any time when a foreign or Australian boat comes in we may be down till 12 and 1 in the morning.

Q. In regard to vacation? A. As I understand it one man has been there for seven years and never had a vacation. As far as I know there is no vacation allowance. There is supposed to be, but you see you cannot get competent men to relieve them.

Q. There is supposed to be three weeks vacation? A. I believe so, though I have seen no set rule.

Q. But it is never taken? A. No. It is impossible to take it the way the port is growing. Two inspectors have been on seven years, one about three, and there is a Hindu inspector also. We have never had an increase of staff till this man coming on in the morning, so there has been no chance to take a holiday.

Q. Do you contribute to superannuation? A. No.

Q. Do any of your staff? A. No, to no fund.

Q. Is there any regular increment of increase in the salaries of your officials? A. Not that I know of. No regular increase.

Q. You have not been long enough in the service to know how increases are paid as a general rule? A. No. There was a special increase to one inspector on account of his talking Hindustani.

Q. Is he an Englishman? A. He was born in India of European parents. I find I have missed out of the staff the Chinese interpreter. He gets $1,000 a year and I have authority to put on another at $5 a day whenever the service requires it.

Q. Are all your officers supposed to be permanent? A. I understand they are all to be permanent with the exception of the interpreter at $5 a day who is only temporary, and the last stenographer was only taken on on three months probation but now will be made permanent.

Q. I understood you to say that the stenographer got $1,000? A. He gets briefly $85 a month.

Q. There is no examination for any of your men? A. No. Except that the late Mr. Harper used I believe to examine them on immigration.

Q. Who was Mr. Harper? A. He was recently murdered at Windsor, Ontario. He was travelling immigration inspector.

Q. Was he employed here? A. He came up once or twice to conduct examinations.

Q. There is no regular examination? A. No, except that men have to be more intelligent than is required in some other positions, as they have to deal with different races of men instead of passing goods through the customs.

Q. There is no particular difficulty in keeping your officials once they are appointed? A. I had a good stenographer who left last month because the salary was not sufficient. He went back to his old position.

Q. What was he getting? A. $85 a month. We took him from the Union Steamship Company. He had been with them for seven years.

Q. They probably gave him something more when he went back? A. Yes, I know they did. I promised to get him raised to the rank of inspector at $100 a month, but even at that he would not stay.

Q. What number of Chinese pass through your hands here? A. During the last three months of this year 400 paid the head tax of $500 each, about 54 came in free, two were ordered to be deported, and something like eight were rejected and afterwards paid the tax—that is the new arrivals. Then there were over 600 Chinamen who had been to China and had returned within the year—they pay nothing. On this boat due now there are 550 Chinamen coming who have already been in the country, and about 115 new arrivals.

Q. I suppose you have special means of identifying them? A. Yes, we have a very good system at present. When they register out their photographs are left on file, and a form made out known as C 19. A number is given them and their description is taken with place of birth, full name and occupation, and where they have lived. After October 1, they will also have to produce their head tax receipt to show that they legally entered the country in the first place, otherwise they cannot register out. If they cannot show it and go to China and return they will have to pay the poll tax the same as a new arrival.

Q. About what number would you estimate the new arrivals from China for the past year? A. About 1,600.

Q. Half the fee goes to the provincial government I believe? A. Yes. During June, I collected just on $100,000.

Q. How do you deal with it? A. The money is placed to the credit of the Chinese Revenue Trust Account with the Canadian Bank of Commerce. Deposits have to be sent by the accountant—one of the stenographers acts as accountant. We send the returns four times a year to the Receiver General, and the bank also wires the returns

Q. Who is the one who passes over the proportion to the provincial government? A. The Receiver General. We have nothing to do with that.

Q. Do you get a large number of other immigrants? A. No, though there has been some rush this spring of railway labourers on account of the relaxation of the immigration laws.

Q. Where are they mostly from? A. From the States.

Q. Do you get many from the Antipodes? A. Yes, lately we have had some very good immigrants from Australia and New Zealand.

Q. Do they apply to you for advice? A. Yes. In fact either an inspector or myself meets the boat at Victoria and inspects the immigrants on the voyage in, and I have made it a rule since I took office to help these people. For example on the last boat several men obtained positions on farms and several girls as domestics through our office. This is a new departure though on the part of the government.

They have made the immigration agents employment agents for the purpose of placing farm labourers and domestic servants, although we have inquiries for other classes, and if we can oblige them we do it.

Q. In case a person coming out for settlement inquires about the selection of a suitable place what do you do? A. We have many inquiries and if it is for the Dominion we answer it direct. If it is for Vancouver we work hand in hand with the progress club and send literature to indicate to the settler where he is likely to find land, but if the questions relate to homestead land in British Columbia I always send to the Minister of Lands in Victoria to answer.

Q. If a new settler writes in a general way saying he is coming to settle in the country and wants your advice as to where to go, what principle would you act upon? A. If a man says he has capital I advise him to settle in the vicinity of Chilliwack or along the Fraser valley, where land can be bought fairly cheap and near to civilization. If he is a man with a family it is no use to send him away to Fort George or some place out of the world.

Q. Do you find that land agents or others approach you to get you to persuade immigrants to go to any particular point? A. I have had only one man.

Q. Was that recently? A. Yes.

Q. What action did you take? A. I told him I could not recommend them to any particular point at all. I told him I could not give the information here, and referred him to the Dominion Land Office at Calgary. Our principal business here is not to bring people in, but to put out the undesirables.

Q. You find you have to do a great deal of deportation? A. Yes. It keeps one stenographer busy arranging deportation papers.

Q. You spoke of overtime being paid by the C.P.R.? A. That is for inspecting on Sundays.

Q. But what is that paid for? A. On Chinese, because we have to bond them through on special trains. They are principally American Chinese and go through in bond to the States. If held over Sunday it is a big expense to feed them. It costs 60 cents a day for each man.

Q. These are immigrants from the C.P.R. ships? A. Yes.

Q. Is that the only line? A. The Blue Funnel brings in a very few, not more than ten in fact, they would not average more than five, because they land their passengers in Victoria. At present the C.P.R. have control of the detention shed and we are practically forbidden to put in any other immigrants than those they bring in.

Q. It is their shed, is it? A. Yes, and I understand the government only pay rent for four rooms, and recently the C.P.R. have given two additional rooms and charge no rent.

Q. You have guards there? A. No. The C.P.R. police act as guards. We have not so much control as we should have.

Q. Have you any suggestion that you wish to make for the improvement of the service? A. I wrote to Ottawa a short time ago a private letter to the superintendent, pointing out that in my opinion there should be no strings on a proposed new detention shed which I understood the Grand Trunk Pacific Company was to build and lease to the government. One company should have just the same rights there as any other. In any case the C.P.R. have the advantage as they have finer steamers and direct railway connection, so it is not necessary to help them. The police should also be under our control. For example last week an American Chinese woman being detained by the American authorities for examination in the same building, one of the police was supposed to have attempted to indecently assault her. The company at once held an investigation, but the man resigned before the investigation came off, but at the same time that is a reflection on our department. I have no strings on the police, but if it comes out they will blame the controller of Chinese, while my men have nothing to do with it.

Q. Have you anything else to suggest for the improvement of the service generally? A. In my estimation outside points, such as White Rock, Huntingdon and Cloverdale, should really come under control of the Vancouver office.

Q. How are they controlled at the present time? A. They report direct to Ottawa.

Q. What officials are there at these points? A. At White Rock there is an inspector in charge and two inspectors under him.

Q. Do they deal entirely with Chinese? A. No, this is white traffic. There is no Chinese traffic from the states. There is one inspector at Cloverdale and one in the vicinity of Hall's Prairie. At Huntingdon there are I think three inspectors in charge.

Q. This is all for the control of white immigration? A. Yes.

Q. What salaries do these inspectors get? A. I think the inspector in charge gets $100 a month, possibly a little more, because I am of opinion that no inspector gets less than $100 now. But suppose there is a rush of immoral characters to the city, I get the blame for it and have nothing to do with it. These men guard the boundary and if they let them in, how can I get rid of them?

Q. These officers are absolutely independent of your authority? A. Yes.

Q. There is no superintendent for this coast? A. No. The travelling inspector visits the coast once a month. I claim that Vancouver should have a commissioner the same as Bruce Walker in Winnipeg, because from the way British Columbia has grown we are entitled to it, and Vancouver would be the proper place for it. We have more than half the population of the province within ten miles of Vancouver. In many cases we have to report matters to Bruce Walker in Winnipeg which might be handled easier without reference to him. We have the penitentiary full, the asylum full and the jails full, and we have sometimes to wait a month for guards to come to take out undesirable immigrants for deportation. I claim the Vancouver agency should have power to deal with these things and report directly to Ottawa.

Witness retired.

Dr. Simon Fraser Tolmie, Chief Inspector of the Health of Animals Branch for British Columbia, and British Columbia representative of the Dominion Live Stock Commissioner.

Examined by Mr. R. S. Lake, Public Service Commissioner, July 31, 1912.

Q. How long have you held your present appointment? A. About six or seven years, I think, though I was in the service a short time before that as inspector at Victoria. Then I went into the Provincial Government service.

Q. Do you contribute to the superannuation fund? A. No.

Q. Nor to the retirement fund? A. No; though I have been asked to.

Q. Are you required to give any bonds? A. Absolutely, no.

Q. What is your salary? A. I get $1,000 from the Live Stock Commissioner's branch, $1,300 from the Health of Animals branch, and $200 for western living allowance, $2,500 altogether.

Q. How many officials have you under you? A. Fifteen.

Q. Have you an office? A. I have an office in Victoria.

Q. And staff? A. No staff. I get the stenographer's work done outside.

Q. I suppose the fifteen you have are all inspectors throughout the province? A. Yes, and one stenographer.

Q. What does the stenographer get? A. $1,000 a year, $800 and $200 western allowance.

Q. What do your other inspectors get? A. The other inspectors are varied. They

range from $1,200 up to about $1,500, with the western allowance of $200 which they all get.

Q. Do you or any of your officers get any allowance outside of salaries? A. No, not more than, for instance, we have some car inspectors, one at Revelstoke. He gets $1 a car for seeing it is clean, but gets no salary.

Q. But none on salary get fees? A. No.

Q. You have no regular hours of work, I suppose? A. Yes. Our regular hours are from 9 to 12 with an hour and a half for luncheon, and then work till 5.

Q. Do you give any specific vacation? A. Three weeks a year.

Q. And you are able to take that? A. Not always. I had my first vacation this year since I entered the service, and that was on account of illness.

Q. For seven years you had no vacation? A. No.

Q. You say all your officers have special allowance for residence in the west? A. Not those working without salary. All on salary do.

Q. Do they get higher salary in British Columbia than in the prairie provinces? —A. No, they do not.

Q. Where does the western allowance come in? A. West of Fort William.

Q. Do the salaries increase by increments year by year? A. Increases are paid according to a man's hustling ability.

Q. What would your opinion be in regard to increase of salary? A. The fairest way would be to have a regular increase according to years of service.

Q. Would that work out? A. Yes, I think it would, though our experience is that some men are worth far more than others.

Q. You would attach to that a contingent that if in the opinion of the chief inspector their services were such as to merit it increase might come more quickly? A. Yes.

Q. Your men are all qualified veterinarians? A. Yes, with the exception of the car inspectors and range riders.

Q. What are they? A. They are used in various capacities for the ranches. They ride around, read brands on cattle, and advise us generally as to the condition of cattle on the ranges.

Q. Are they permanent employees? A. They are employed as long as we keep them.

Q. Are they paid regularly? A. We pay a range rider $115 a month, but he supplies his own horse and feeds himself. We have one working at present.

Q. Where is he employed? A. He is at Kamloops just now. We usually employ from one to three others, but the others have quit and this man threatens to quit.

Q. On the ground that the expenses are too great? A. Yes. He figures up by the time he pays for his horse and keeps himself and buys horse feed he has not much left.

Q. Apart from that, do you find your rate of wages satisfactory? A. It is hardly high enough in this country. Considering a man's ability as a practitioner the men we have have stayed with their job pretty well, but I think we can feel sure that if they were promised advances every year or two they would be better satisfied.

Q. Are they appointed by order in council? A. Yes.

Q. Outside of expenditure on the staff have you any other? A. No, except in building quarantine stations and so forth. If that money does not go through it is paid on my recommendation. I never had any other except last year when we had three range riders working and I was given an advance of $1,000 towards paying for them.

Q. You have some quarantine stations? A. Yes.

Q. Where are they? A. They are situated at Victoria, Vancouver, White Rock, Huntingdon, New Westminster, Keremeos, Mincaster, Midway, Grand Forks, Nelson and Rossland.

Q. Have you a regular establishment in each place? A. With the exception of New Westminster.

Q. The inspector in each place has control of the establishment? A. Yes, though in some places an inspector covers two points.

Q. Have any suggestion to make that might improve the service? A. I was speaking to some of my inspectors upstairs, and they thought if there was some superannuation fund it would be something to look forward to. Another man mentioned about giving reasons for discharge, though there has not been much call for that because where a man was dismissed it was generally for sufficient reason.

Q. You have had some men dismissed? A. Yes, some.

Q. Dismissed by order in council I suppose? A. Yes. I would not have power to dismiss any one. I could lay a man off on salary till his case was taken up by the Veterinary Director General.

Q. In regard to superannuation, do you know whether your inspectors would be quite willing to subscribe to a superannuation fund? A. Yes, if as I understand you get it back on leaving the service.

Q. Well there are different ways of arranging it, but I think the civil servants at Ottawa are arranging for a fund that would provide for a man's wife and family in case he died in harness. The general idea seems to be that it should really be more of an insurance fund which belongs to him and his heirs. In case of such a fund you are sure your men would be willing to contribute? I am sure that if some of our men who have been getting $1,200 a year died to-morrow it is a question whether the family could pay the funeral expenses. Take the man at Nelson getting only $1,000 a year. He might make a little by private practice but so much has been added to his work that it leaves him little time.

Q. Do you allow your men to engage in private practice? A. Yes, where there is no private practitioner. Then it is a benefit to the inspector and to the community.

Q. But you don't allow them to let it interfere with their government duties? A. No, not at all. In Vancouver none of us are allowed to practise.

Q. Any other suggestions? A. No, that is all except the raising of salaries on account of the high cost of living. I think the chief inspector should look into it and make a report to the Veterinary Director General.

Q. You don't think the special western allowance is adequate to make up for the higher cost of living here? A. Yes, I think it will provide pretty well, but it will take about a year to see how it works.

Q. What do you think of the idea of starting men on an initial salary of a low sum and then allowing them to work up by regular increments to a higher salary? A. That would be all right as long as they did not start them too low.

Q. My idea is to prevent favouritism by giving one man a larger salary than another? A. That is all right in its way, but we find one man will do better service than another, particularly in handling outbreaks of contagious disease where a man's ability in handling the public counts for a great deal.

Witness retired.

GEORGE MIDDLETON, Manager of Dominion of Canada Assay Office, Vancouver, B.C.; Salary, $2,650.

Examined by Mr. R. S. Lake:

Q. What staff have you? A. Two assayers, one melter, one computer, one bookkeeper, and one assistant melter and janitor.

Q. Their salaries range? A. From mine down to $80 a month to the janitor, who assists with the melting as well.

Q. Your assistants receive fixed salaries? A. Yes.

Q. How long has the office been established A. Eleven years on the 1st of July, last. I was appointed when the office was established.

Q. In charge? A. No, I was chief melter. I was general foreman on the C.P.R., and when Dr. Haanel came out and established this office, they asked me to take this position. I was general foreman in the C.P.R. mechanical department.

Q. How long have you held your present position? A. I was appointed February 1, 1907.

Q. At your present salary? A. No. I got $2,500 at the start, and was raised two years ago to $2,650.

Q. Has there been any increase in the cost of living since you started here? A. I should say at a most conservative estimate it has increased 40%.

Q. It has gone up in all parts of Canada. Have you had any experience in other parts? A. Not much, but for instance a house a man could rent in Vancouver for $20 when I started here you could not get now for $50. I know that, and everything outside that has increased very much.

Q. So you feel what would be adequate then is inadequate now? A. Yes. This position here ought to be put on a level with that of a bank manager, but the salary would not admit of that.

Q. Now in regard to your assistants, are they young men? A. Some are fairly young men running about from thirty.

Q. And one of your assistants is sick? A. Yes.

Q. Does he draw his salary while away? A. No. He has been here since the office was established, but does not draw salary now.

Q. Is he supposed to be a temporary employee? A. Not more than others.

Q. Is no sick leave allowed? A. We are allowed two weeks for sickness and three weeks' vacation, though I have never had one holiday since I have been manager.

Q. What is the reason for that? A. It is a difficult matter to get away. You have to get on order in council authorizing some one to sign for you. The banks have to be notified and you have to get another order in council rescinding the first order. It is complicated, and I would not ask for it often.

Q. Do your assistants get vacation regularly? A. Yes.

Q. But this assistant you speak of has been ill for more than a fortnight? A. Yes, since April 1, but he will start work again on October 1.

Q. He is only allowed to draw pay for the first fortnight, and after that he loses it? A. Yes, though he has been applying to Ottawa, and may get it.

Q. But under the regulation he does not? A. No.

Q. Do your assistants get regular increases in salaries? A. No, but from time to time increases have been given.

Q. Do you find any difficulty in keeping good men? A. No. I have been very fortunate in this respect. Our men are all under heavy bonds.

Q. Who pays for these bonds? A. The government.

Q. Do any of you contribute to the superannuation fund? A. No.

Q. Nor to the retirement fund? A. No.

Q. Could you make any suggestions that would enable you to better conditions in regard to the staff? A. I don't know that I could, only that the government might increase the salaries by regular increments of increase.

Q. What do you think of the superannuation plan? A. I have not given it any thought.

Q. At present we have no superannuation law under which any official could now come. I was speaking in regard to the request from some quarters for a superannuation fund? A. I think the government should show some consideration. After a man has given his life to the work, the government should not cast him aside. They could do it as well as the C.P.R.

Q. Have you any knowledge of the superannuation plan of the C.P.R.? A. No. I had just left before it came into force, though I had been 21 years with them before.

Q. You favour superannuation? A. Yes, I think a man should be superannuated.

Q. Are you prepared to contribute towards it A. It depends if it was a businesslike proposition.

Q. What class of work do you do here? A. We receive bullion and I weigh it and give a receipt. For instance to-day I have taken in $10,000 worth of bullion.

Q. Where did it come from? A. From Nelson, from the Motherlode mine.

Q. Do you receive it from individuals as well? A. We receive it from individuals. It goes through a certain process of melting, assaying and computing values, and we pay for the value of that bullion.

Q. Is the whole thing done in your office? A. Yes. I sign all cheques and we do everything here.

Q. What becomes of the bullion? A. We dispose of it. We have been disposing of a great deal of it lately to the United States treasury.

Q. Do you send any to Ottawa? A. No, we have not been sending any to Ottawa.

Q. Where do they get theirs from? A. They get some from Klondyke and some from the east I understand.

Q. What do you suppose passes through your hands in the course of a year? A. I have had as much as one million and three quarters in a year. As gold is the standard we pay $26 and $27 per ounce for it and get back the exact amount we disburse.

Q. Is the office self-supporting? A. No.

Q. To what extent is it not? A. We have to sell this bullion again and it brings us just what we have paid out.

Q. You charge the man who brings it in the whole cost of melting and assaying? A. Yes.

Q. So far as this office is concerned it is just a convenience for the country? A. Yes, a market for bullion for the mining community.

Q. Do you handle other metals? A. No, only gold bullion, but it keeps trade here. For instance a man came here last week from Whitehorse with a lot of bullion. We deposited the money for him in Kamloops at his request and he went and bought a lot of horses and expended money here. Had he taken it to Seattle all that trade would have gone there. Again yesterday we had a lot of the proceeds of bullion deposited in different banks, and that all enables them to carry on business and help the merchants.

Witness retired.

The Commission adjourned.

VANCOUVER CIVIL SERVICE DELEGATION.

On the evening of Thursday, August 1, 1912, Mr. Lake, Public Service Commission, met about eighty members of the Dominion Civil Service of Vancouver, in the long room of the Customs Department.

Mr. J. R. M. Greenfield, post office inspector, presided, and in opening the meeting said:

"I have much pleasure in introducing to you Mr. Lake, who has been appointed as one of the commissioners to inquire into the Civil Service. I feel in talking with Mr. Lake that we have all a friend who will try to adjust any grievances you may wish to lay before him. In order to feel the pulse of the service and find out the

conditions existing a full meeting of the civil servants association was held on Monday, night, and each branch appointed a delegate to present its views. On Wednesday night we had another meeting in committee of the whole, and we decided to place the following matters before you:

1. Cost of living and salaries (Minimum and Maximum).
2. Provisional allowance.
3. Superannuation.
4. Classification.
5. Promotions.
6. Insurance.
7. Working conditions, hours &c.

The names of the gentlemen selected to deal with these matters will be found on the paper before you:

Mr. F. G. Allen of the Vancouver post office staff, selected to speak on the increased cost of living and provisional allowance.

Mr. F. R. Greer, Customs Department, chosen to present the subject of superannuation and insurance.

Mr. J. E. Fagan, Customs Department; Mr. R. J. Butler Post Office; and Mr. E. Parkinson, Inland Revenue, to speak on the subject of classification and promotions.

Mr. T. Wooton, Mr. F. R. Greer and Mr. J. H. Hawke, Customs Department, to present views in regard to working conditions, holidays, hours, &c.

Mr. C. P. Carr, Post Office, wishes to present the views of the letter carriers, and Mr. J. Dunsmuir desires to present matters relating to the Public Works Department.

Mr. F. G. Allen, of the Post-office staff dealt with the cost of living in Vancouver, speaking as follows:—

Mr. Chairman and Gentlemen of the Commission:—

Before going into the question which I have been requested to present to you, to-night, I should like to be permitted to express briefly the thanks of those I represent, for this opportunuity of laying before you in a feeble manner, a question which has of late years been so prominent that it has grown monotonous. We desire to thank the Government through you sir, for the manner in which it has taken hold of this question and given it new life. The Prime Minister at Halifax said: 'We propose also to extend that reform of the Civil Service which we initiated while in Opposition, and which the late Administration carried out in part upon our initiative.'—Hon. R. L. Borden, Prime Minister, at Halifax banquet. We are thankful for those words because we believe that promise is being carried out, and your presence here is a part of that promise.

The question of the cost of living has become threadbare. The Labour Department has furnished, and is furnishing exhaustive reports in the *Gazette* and to-day it is not necessary to furnish further proof, we are all aware of it, it affects us all. I will ask you, however, to allow me to make three statements.

First.—Secretary Wilson of the United States Government reports that in 40 of the cities, the following increase in 5 cities, 20 per cent; 10 cities, 21 to 30 per cent; 12 cities, 30 to 40 per cent; 12 cities, 45 to 50 per cent; 11 cities, over 50 per cent.

Second.—Bradstreets index shows that $3.42 in 1896 has same purchasing power as $9.12 had in December 1, 1909 and the end is not yet.

Third.—Sir J. P. Whitney said, it cost at least $1,500 to support a family in Toronto, and what is said of Toronto applies equally to Vancouver. The 'index number' of the Department of Labour is higher than ever before.

Before going any further, I might state that I have travelled, from Halifax to Victoria looking into the cost of living, on behalf of the Post Office employees of the

Dominion, and the report was presented, to the former Commission and is embodied in their report. It contained the actual living expenses of employees and in every case was shown, that the salary received was not equal to the expenditure. I can refer you to that report because every statement made can be verified on oath if necessary. A Government should be an example to the country in the treatment of its employees.

I am speaking now, sir, on behalf of Vancouver, and wish to make a few statements for those of the service living here. There are conditions which make it a very expensive city to live in. Up to a year and a half ago, I lived at Ottawa, and being a famaliy man, and enjoying the reputation of being an expert in household matters, I can give an honest opinion without fear of being charged with exaggerating, and will give a few reasons to support my statement, very briefly.

The lack of local market such as exists in Toronto, Hamilton, St. John, Montreal, Quebec and numerous other places. We have no market where the farmers can sell their produce from their carts direct to the customers. We have therefore the middle man.

There is no place in Canada where combines control, as here.

Vegetables, fruit, dairy produce and meats are exceptionally high. More especially eggs and butter.

Practically no local supply and a great demand.

We pay $8 a ton for soft coal within 40 miles of the mine. Rents enormous, owing to the price of real estate.

We have what I call the 3 R's to contend with, owing to peculiar conditions. The 3 R's—rents, railways, and restaurants. They all reap a harvest owing to distance of our homes from our places of employment.

Labour is very high. The men working on our streets are paid $3 per day. More than many of the Civil Service get.

In the report of which mention was made earlier, comparison was quoted with salaries paid to bank clerks and school teachers, two of the lowest paid classes and even these classes, eclipsed the civil servant.

It has been stated at times that the civil servant lives extravagantly, and at the risk of wearying you I should like to quote Dr. Engell's law to disprove these statements.

Dr. Engell, as you know, is an eminent Prussian scientist, who was engaged by the government to investigate labour conditions and he formulated what is now called 'Engell's law,' which shows what percentage must be expended by a man with a wife and four children whose wages run from $750 to $1,000.

This law was used for a similar purpose by the United States Government Labour Department in several States and proved a great success. I have chosen Massachusetts as being nearly like our own conditions. Then I quote Prussia and finally compare with Vancouver.

COST OF LIVING.

Dr. Engell's law—showing percentage to be expended for a family of 6, man, wife, and 4 children, wages from $750 to $1,000.

MASSACHUSETTS.

Rent	20	per cent,	equals	$ 200
Food	50	"	"	500
Fuel	4	"	"	40
Clothing	16	"	"	160
Sundries	10	"	"	100
	100	"	"	$1,000

PRUSSIA.

Rent	12	per cent,	equals	$ 120
Food	50	"	"	500
Fuel and light	5	"	"	50
Clothing	18	"	"	180
Sundries	15	"	"	150
	100	"	"	$1,000

Supposing we apply Engell's law to Vancouver:—

Rents	$500	equals	50 per cent.
Food	500	"	50 "
Fuel	50	"	5 "
Clothing	160	"	16 "
Sundries	100	"	10 "
	$1,310		131

Whilst the man in Prussia and Massachusetts requires $1,000, a man in Vancouver under similar conditions requires at least $130 more or $1,130. I maintain, moreover, that a man ought to be in a position to put aside 15 per cent of his earnings, for what is termed 'a rainy day,' and every man in this room will bear me out that it 'rains' sometimes in Vancouver.

The foregoing schedule only provides a 'hand to mouth existence.'

In conclusion, therefore I hold that a man in Vancouver should receive as a minimum wage in order to live at all befitting his position $130 a month, and that the provisional allowance should be at least 25 per cent. I have no doubt there are people existing here on $800 a year, and I will quote you a case. I asked a poor fellow how he did it. He rented a house at $35 a month, leaving him $30, to live on. He took in roomers and lived in the kitchen with a motto on the wall, 'God bless our home.'

What is the remedy? I can give you one. It was made by the Great Physician. You will find it in the New Testament. Here is the prescription.

'Render unto Cæsar the things that are Cæsars.' Thanks for the patient hearing, we feel we have your sympathies and the fact that this Commission is looking into the matters brought up to-night is in itself sufficient evidence that the government is desirous of doing something to remedy the evils that we have suffered from so long and patiently. I have much pleasure in thanking you heartily on behalf of the Civil Service of Vancouver.

Mr. GREER.—On behalf of the civil servants of Vancouver I have been asked to present their ideas on insurance and superannuation. You know, Mr. Chairman, that the superannuation question is agitating the minds of the civil servants of Canada more than any other question outside the cost of living, which Mr. Allen has handled so ably before me. But as one who has been many years in the service of the Dominion, and is reaching the years when his services are not up to the mark they were when he started in, and has to look to something to take care of himself in his old age, or his widow or his orphans should he pass away before his time, it has from this standpoint been discussed for the past year by the civil servants of Vancouver. When the Power's Bill was passed some two years ago we called a meeting and discussed it clause by clause. While some thought it was not up to the mark; others thought it better than any other Act we had along the same line. The question before us was whether it should be contributory or non-contributory superannuation? The civil servants have come to the conclusion that it should be contributory, for the

reason that if it was they would have some say in the framing of this Bill. If non-contributory they would have to accept the Bill as framed by the government.

I had the pleasure last year of being a delegate from British Columbia to attend the meeting of the Civil Service Federation in Ottawa, and the superannuation question agitated the minds of the federation more than any other question brought up there. While we fought the different clauses of the Bill through, the committee went to Mr. Fielding to get his views. I might say that Mr. Fielding did not promise us anything at all, but said we would come back again, and no doubt the government would be pleased to receive us as they recognized that superannuation was something that the government sooner or later must extend to its employees, because they were losing some very efficient officers, because they see no hope in remaining in the service.

The idea of the civil servants of Vancouver is that we shall accept an Act drawn along the lines of the Power's Superannuation Bill, and that the government have framed it to their liking and it should be passed back to the civil servants for their consent as it were, and after they are through with it passed back and made law if satisfactory to the government. The civil servants of Canada seem to be in a frame of mind that they would contribute as much to superannuation as the government would. I cannot say much more on superannuation. It is a question that has been before the House on different occasions, and the matter as I have discussed it has met with the approval of the civil servants of Vancouver.

The insurance question has been coupled with superannuation, but I do not wish to say much about it for one reason—and that is that the government of Canada already offers what is I believe the best insurance in the world for civil servants, and I am sorry to say that a very small percentage of the civil servants of Canada have taken advantage of this low insurance. There is one thing sure; the civil servant wants to help himself, and I cannot see why when they have been offered so low an insurance as they have been offered by the Dominion government they do not take advantage of it. The question arose in the federation last year of raising this insurance from $2,000 to $5,000. That was agreed upon by the federation and seems to be pleasing to the civil servants of Vancouver. Another question that agitated their minds was two per cent and three-and-a-half per cent superannuation men not being allowed the privilege of this insurance, and I think considering the small salary these men are receiving at the present time it would not involve the government to any great extent if they would throw down this gauntlet of three-and-a-half per cent and allow all the civil servants of Canada to partake of its benefits, no matter what superannuation they might belong to. Mr. Commissioner, I do not wish to take up any more of your time this evening. I have covered the ground as concisely as possible, and hope I have done it satisfactorily to yourself and the gentlemen who have asked me to lay it before you.

CLASSIFICATION AND PROMOTIONS.

Mr. J. E. Fagan, of the Customs Department, said:

On the matter of classification and promotion as far as regards the Customs service, and landing waiters dept., we beg to suggest that the classification of officers should be along the lines of responsibility, efficiency and length of service. According to our schedule of wages at the port of Vancouver or the Dominion of Canada, we run now from $800 to $1,000 a year. The first year $800, the second $900, the third $950, the maximum is $1,000. In the American service, in Tacoma and Seattle, men in similar positions are paid in the first year $1,080, in the second $1,260, and in the third year while we are paid $900 they are paid the maximum of $1,680, while in four years we reach only a maximum of $1,000, and we respectfully suggest that the maximum of landing waiters in this port be increased to at least $1,200. Our rate of overtime is 40 cents an hour for services rendered after hours while the American officers

are reimbursed at the rate of one day's pay for half a night's work. If they work from 7 till midnight they have a full day's pay, and if they work after one in the night they receive two day's pay. Recently freight handlers on our wharfs, such as checkers and freight handlers were remunerated at the rate of 35 to 40 cents an hour, but on May 1 it was increased to 40 cents an hour with 45 cents for Sundays, so that checkers and freight handlers are increased less than other men.

Promotion, we respectfully suggest, should be along the lines of ability and experience. We have a number of temporary officers, not on the permanent staff, and any time any of these men are off from sickness or any other cause, they are docked the day's wage. While the permanent officers are allowed three weeks' vacation per annum, these men are not allowed any, and if they wish to take two or three weeks' holiday their salary is deducted. We respectfully request you to give these men in the temporary service some consideration. That is all I can say for the Customs department. Gentlemen from other branches who are more eloquent than I am, can present their views on classification, which is after all a matter of detail and if given, promotion would follow along proper lines.

Mr. LAKE.—Do the Customs men receive no remuneration for provisional allowance?

Mr. FAGAN.—None whatever. It has been reserved to the Inland Revenue Department. We do not begrudge it to them, but we think it should be granted to us, as when the other departments get it we have just cause for complaint.

Mr. R. J. BUTLER, Post Office, said: 'I have not much to say with regard to the classification of Post Office clerks. They are apparently well satisfied with the present classification. In a few individual instances they have grievances but these will be set right with proper classification. It is thought that promotion from one class to another should be followed by an immediate increase in pay. As it is the maximum in one class is the same as the minimum in another, and we think increases should be $100 a year instead of $50, and Sunday work should receive some consideration.'

Mr. E. B. PARKINSON, collector of Inland Revenue, presented the following memoranda on behalf of the staff:—

GENTLEMEN,—We, the members of the Inland Revenue Staff of the City of Vancouver, beg to submit the following suggestions for your information and consideration:—

That we are in favour of a superannuation plan as outlined by a committee appointed by the Civil Servants Federation and presented to the Government at Ottawa, in the Spring of 1911.

That we believe a third class excise officer in this department should be appointed on probation at $800 per annum, and after passing the qualifying examination should receive $900 per annum with annual increments of $100 until $1,200 per annum is reached, because we believe that every young man should be given encouragement to marry and create a home of his own by the time he has reached the age of twenty-five years. Under the present conditions (and there are no indications that such conditions will change for the better for many years to come) it is a gamble for a man to marry on less than $100 per month: That second class excise officers should receive on appointment a salary of $1,100 per annum with annual increments of $100 per annum until $1,400 is reached; That first class excise officers should receive on appointment a salary of $1,300 per annum, with annual increments of $100 until $1,700 is reached, and that special class excise officers (those in charge of a distillery or malthouse) should receive a salary of $1,800 per annum, with increase of $200 per annum until they reach the maximum, which should be placed at $2,400. We are also of the opinion that all officers in a first class division, such

as Montreal, Toronto, Winnipeg and Vancouver should receive an additional salary of $100 per annum, on account of the extra special work involved in a large division.

In connection with the above, we would respectfully beg to draw the attention of the Commission to the fact that the cost of living (especially in the west) has increased from twenty-five to thirty-five per cent in the last few years, while there has been no appreciable increase in the salaries of excise officers.

We are of the opinion and would respectfully suggest that the following scale of salaries should be adopted for collectors, deputy collectors and accountants, viz.:—

Collectors—First Class	$2,400	to	$3,200
Second Class	2,100	"	2,800
Third Class	1,900	"	2,400
Fourth Class	1,700	"	2,200
Fifth Class	1,500	"	2,000
Sixth Class	1,200	"	1,700
Seventh Class	1,000	"	1,400
Deputy Collectors—First Class	$1,800	to	$2,300
Second Class	1,600	"	2,100
Third Class	1,400	"	1,900
Fourth Class	1,200	"	1,600
Fifth Class	1,000	"	1,400
Accountants, &c.—First Class	$1,600	to	$2,100
Second Class	1,300	"	1,600
Third Class	1,100	"	1,400
Fourth Class	900	"	1,200

All increases should be so arranged that an officer should reach the maximum of his class within three years from the date of his appointment, on account of the fact that a man is more urgently in need of the larger salary while his children are young, than when they have reached an age at which they are able to assist in their own support.

In conclusion we would beg to say that we are more than ever convinced that all officers in the west should receive an additional allowance of at least $350 per annum, irrespective of position or salary, on account of the extra cost of living in this part of the Dominion.

On behalf of the staff, we beg to remain, Sir,
Your obedient servant,

E. B. PARKMAN,

Collector Inland Revenue.
Delegate to the Association.

WORKING CONDITIONS, HOLIDAYS, HOURS, &c.

Mr. T. Wooton, Customs Department.—Mr. Chairman and gentlemen. I have just a few remarks to make on the hours we are working. We start at 8 in the morning and sometimes work from 7 to 10 in the evening, and sometimes also on Sunday afternoon. We are not I maintain getting such a salary as requires us to work these hours, and it is a hardship to the different officers to be so called upon, and we ask you, sir, to remedy this condition.

Another matter I wish to speak on, and I think it a gross injustice that men should be expected to work from year to year without the privilege of taking a holiday.

In the smallest firm, after a man has been working twelve months he is granted a week on pay, but I have been in the service five years and have not had a holiday, and if I took one my salary would be taken from me. There are men who have been fourteen years in the service and have not had a day without their salary being taken from them. I am speaking for the civil servants of Vancouver, and I think it is time that a change should take place and we should be allowed a holiday once a year. I do not mean that for a man taking a day in and out now and again it is not right to stop his pay, but I do think a regular holiday should be given to every man after he has been in the service one or two years. I thank you for your attention.

Mr. F. R. GREER, Customs Department.—Mr. Chairman and gentlemen, it is hardly fair that Mr. Greer should be called upon so often to speak on different subjects, when we have such a large number of civil servants in the city. However, I have been elected for it and must do the best I can. I am going to infringe on one of the best speakers in regard to classification of the Customs. It has been one of my pet ideas that the four big ports of Canada should be classified, that is, Montreal, Toronto, Winnipeg and Vancouver. A very large number of civil servants are gathered in these four large ports, and it is I think a very important matter that the government should classify one of the most important branches of the service. In the Customs at the present time the Long Room is looked upon as the executive point. It collects the duties and makes the returns to Ottawa. The Long Rooms of these ports I suppose contribute to the Treasury from $50,000,000 to $60,000,000, and it is too bad there has been no classification of the men doing this work. I have working under me thirty clerks. Outside of my chief clerk one man is not one iota better than the other. The man who came in two weeks ago comes in at more pay than the man who has been in two years. It is a most unfortunate thing. I have one young man in the office who has been two years in the service and passed his examination, and only to-day received a letter saying that he was placed on the permanent staff at $900 a year, although he loses five per cent of this which the government takes to look after him in his old age, while I have mere boys who entered last month and were given $1,000 a year, while old clerks doing the work of the Dominion government are receiving the same pay as the men that came in within the last two months. I want to impress it upon the Commission. You are here for the outside service, and the only way to get at it is for some one to tell you the grievances under which he is working. My idea of the office, and I will say it emphatically—I have been fifteen years in the service—is that a young man should not come in at a maximum salary straight. When you put a new man in the service raise the old man to his standard. You must remember I have to teach these men and help them along, and if a man says, 'There is Jones or Smith who has just come in and is getting more salary than me. Let him do the work.' Well, he does not quit the service, but he does not do his work with the grace with which he should do it.

These new ports should be classified and these new men should come in at a lesser wage than the old ones. With the cashier's desk in the Long Room, ledger receipts, &c., there is plenty of range, and one position is not as important as the other. Books should come first, then he should pass on further to the manifest, and from that he passes to be computing clerk. He is a collector of revenues for the Dominion and sees that importers' goods are dealt with with equity. His work is in touch with the department, and from there to the cashier and from the cashier to the chief clerk you have a line of promotion in which a man might be encouraged under proper classification.

During the past two years we have had some splendid officers resign, and if you could read those letters to Ottawa, almost always the last words were, 'We can see no hope in the service.' In Vancouver there are 125 civil servants and they see no hope, but if they could rise and be promoted to collectors and passed up, the same as in the old country, it might be different. This is a classification that my predecessor

did not call attention to, but I think it is a matter the government should take up and give the outside service some classification as well as the inside service.

The working conditions in the port of Vancouver, of course I am speaking for the Customs, are not as pleasing to the officers as they might be. The different departments that have connection with the Long Room are scattered in different parts of the city and it makes the work very hard. There is another part of working conditions in the Customs I wish to call attention to. It is this: We have men in the Customs at the present time working seven days a week including Sundays, and if they lose a Sunday they are docked one day. That is a condition I do not think the government of Canada wants. I think every man should have at least one day to serve his God if so inclined, but such is the condition in the Civil Service in Vancouver at present, and it should be taken up. Some say these men's hours are not long, but when one thinks that a man goes to the docks in all seasons often in the blowing rain to meet a steamer and often works ten hours he should at least have one day to spend with his wife and family.

Mr. LAKE.—Are you speaking principally for the outside service?

Mr. GREER.—Yes, entirely. I will not touch the inside.

Mr. LAKE.—What I meant to say was, were you speaking of temporary employees?

Mr. GREER.—Yes, the temporary employee. He is compelled to work the same as others and receives no remuneration for extra work. The longshoreman will not work on the dock without overtime, without double pay of 60 cents an hour, but the Customs officer held responsible for large consignments of goods receive 40 cents for Sunday labour, which I don't think conducive to good service. This all I have to say this evening gentlemen on working conditions.

HOLIDAYS.—This is another question I would sooner that the men affected more than I am would speak on, but I feel as I have been chosen to speak, I will do the best I can. We have at present 75 or 80 men on the temporary staff who are hired at so much per hour, and if they lose a day through sickness or any other cause they are docked. My contention has been, rightly or wrongly, that if an officer appointed to the Civil Service of Canada is not suitable to pass and be made a permanent officer by passing his qualifying examination, he should not be retained in the service. That I think will be agreed to by most of the civil servants. At the present time we have men who have been ten, twelve, thirteen and fourteen years in the service, and never allowed a holiday in that time. We think that when men in the service who have been surrounded by a certain environment and education drop in here and in some twelve or fifteen months are placed on the permanent staff and get three weeks holiday a year, while the older man drudging away year after year in the service gets no vacation, it hardly seems right. I am sorry to say we had one man whose wife died. He was away for two days and was docked for that time in going to bury his wife. I think these men should have some rest. There never was a machine made by man but requires rest sometimes. It is said that the Customs officer is not a hard worked man. I do not agree with that, because I have had several men come into this office who were disagreeably surprised to see how they had to get down to work from 9 till 6 each day because of the large increase in the business of this port and the necessity for keeping pace with it.

The hours of service I think should not be longer than they are at the present time. I believe there is a movement to extend the hours. I do not think it should be done. The outside man works from 9 in the morning till 6, and very often he goes back in the evening and works overtime, and it is not an uncommon thing for a man to work all night long, and when he has worked 24 hours he is not in a condition to go back and work at 12, which he is supposed to do. It should be impressed on the

government that if they require overtime work on Sundays if a transportation company brings a large vessel into this port, and are making money out of their cargo and require a civil servant to go down at 7 in the morning, I think at least that man should be paid as much as the longshoreman who is wheeling a truck, or the transportation company should not get that officer and be compelled to have their vessel lie there till Monday morning at seven o'clock.

Another phase of this question is that the Customs officer at White Rock, is compelled to meet the trains from Vancouver running up to 12 o'clock at night, and immediately that train crosses into Blaine it is met by an American officer who receives $3.50 for five minutes work, and if he works five minutes after midnight they have to pay him another $3.50 or $7.00 for the night while our man who is doing the same work gets 40 cents. When a steamer is going to the other side, before she arrives there the transportation has to go to the United States Customs, and even on a United States steamer he has to deposit $5 before an officer goes down to clear it, and if the officer works after midnight another $5 has to be paid or $10 for the night. Here he gets 40 cents an hour.

Mr. LAKE.—I may say that the officer at White Rock was before us in New Westminster and gave the evidence you have done.

Mr. GREER.—Thank you. I am glad my evidence has been corroborated by the officer there. I may add that an order in council was passed not very long ago allowing for overtime 25 cents an hour to all points east of British Columbia, for British Columbia 40 cents, for Skagway and Whitehorse 80 cents, and Dawson $1, showing that the government recognized a year ago that the west was entitled to better remuneration for the services of their officers than they get in the east, and I think the arguments you have heard to-night justify the same increases along these lines. Mr. Chairman, I think I have covered the ground just about as well as I can with what I have at command, and thanking you for your kind attention to these few remarks I will take my seat.

Mr. FAGAN, Customs Department.—I can only corroborate the statements made by Mr. Greer and the other speakers of the evening. In striking our programme we mentioned the night watchmen, and as Mr. Hawke here wishes to present their views, I will give him the opportunity to speak on their behalf.

Mr. J. H. HAWKE presented the following petition on behalf of the Customs night watchmen enclosing a letter they had already sent to the Collector of Customs:

To the Civil Service Commission,

Dear Sirs:—

We, the Customs nightwatchmen, respectfully wish to submit the following grievances as we see them for your consideration.

It is generally known that in Canada there is a law regarding Sunday labour, but we happen to belong to a branch of the service that knows no Sunday or holiday (only by losing time) as we are expected to be on duty 365 days in the year, without compensation for Sundays or holidays. We therefore think we are justly entitled to Sunday with our families when there are no particular duties to perform' such as watching ships, when we should receive compensation at the same rate paid the day man on the same ship.

When this branch of service was reorganized on Nov. 1, 1910, we did receive overtime up to Mar. 31, 1911, by sending in our overtime sheets in the regular way, which we continued to do up to Aug. 31, 1911, but received no payment after Mar. 31, 1911, although the fees for our services were collected from these ships up to the end of Sept., but no payment was made to us nor reason assigned for discontinuing this overtime, and on Sept. 26, 1911, we submitted a petition to the department, a copy

of which we wish to submit to the Commission as we never received any reply officially yet.

We also think that after a reasonable term of service in this branch that we should be entitled to promotion to day duty of some kind.

The following letter was sent to the collector of customs, on Sept. 26, 1911.

Collector of Customs,
Vancouver, B.C.

Dear Sir:—

We, the undersigned, respectfully wish to call your attention to the overtime sheets which have been sent monthly since last March, and as yet no settlement.

We are chiefly married men with families, and in order to rent houses as cheaply as possible, viz., twenty-five to thirty-five dollars per month we have to move out in the suburbs and have our car fare (which is double fare after midnight) to pay therefor it is very essential that we get the overtime in order to meet our liabilities.

During the time we are on duty at the gangway of a ship all Sundays and holidays are paid by the ship, but the men that are not stationed at a gangway are obliged to patrol the the water side of such a ship with a row boat, which is no desirable position at times, therefore, we think such men are justly entitled to pay for Sunday work too.

Yours truly,

C. Prenter, Norman McDonnell, J. H. Hawke, M. T. Gauvern, and Jas. Hanafin.

Mr. E. S. Black, Post Office Staff.—Mr. Chairman and gentlemen, I have prepared nothing on this subject, but I think it would be unwise to let this occasion pass without saying a few words on the hours of work in the post office, and working conditions at the present time. We have over 100 clerks on the staff of the post office, and out of that number only nine whose hours are regular. Of course we understand that in an institution like the post office, where work goes on night and day, there cannot be regular hours as in other places, but to show how irregular they are I might state that different shifts work from 7.30 to 4.30, 3.45 to 11.30 or 12, from 11.30 or 12 till 8 in the morning. The different staffs are changed once a month or once in three weeks. There is a general feeling that some consideration might be made for night work as it is more arduous than day, and the staff seem to consider that the night shift should consist of seven hours only instead of eight hours. Then the staff has to work one Sunday in three, and some have to work one Sunday in four. We would ask that some remuneration be given for this Sunday work. As far as regards holidays, all the members of the post office staff are entitled to three weeks per year and have no complaints to make.

Mr. Carr, presented the following petition on behalf of the letter carriers:

To R. S. Lake Esq.,
Dominion Civil Service Commissioner.

Dear Sir,—

We would submit that there has been an increase of 55 p.c. in the price of necessities of life in this city during the last ten years.

Salary.—On account of the increased cost of living throughout the Dominion would suggest an increase in salary of fifty cent per day, on all grades, maximum to $100 per month.

Superannuation.—We are in favour of superannuation to take the place of the present retirement fund, superannuation to take place after 25 years service or at the age of 60 years.

Classification or grades.—Would suggest that provisional allowance be $20 per month.

Promotions.—The case of promotion the pay in no case to be less than before promotion. Senior men to be given the preference in promotions other things being equal.

Uniforms.—That raincoats be supplied yearly, for this city that a complete change be made in uniforms and the uniforms and boots be supplied locally. In conclusion would request that the carriers be replaced on the Civil Service instead of the per diem system as at present, believing it would do away with a good deal of hardship experienced at present, in case of sickness through the stoppage of pay, and that at least 21 days holiday, exclusive of Sunday's be given.

C. P. Carr, Sec.

Mr. J. DUNSMUIR.—Mr. Chairman and gentlemen. The caretakers and elevator men of the Public Works Department have a few grievances to lay before you. In regard to vacations they request that they be granted 21 days holiday after a year's employment. Some of us have been three years in the employment and have never had a day's holiday. I have been informed that in the maritime and middle provinces caretakers have been given them.

Our next request is for an advance in the wages of caretakers and elevator men. They would like to receive a 25 per cent advance owing to the high cost of living, due principally to rent and fuel. We are about the lowest paid men in the place and on the wages we get a married man cannot live. As Mr. Allen stated, you cannot get a house in town for less than $40 a month and if you go out you pay car fare, so you have either to keep roomers or send your wife out to work. A single man may exist but a married man cannot.

As for promotion there is not much room for it in our class, but you can be promoted to chief janitor, and we think promotion should be given to the senior man provided he has satisfied his employers in the past.

I have heard a lot of talk about provisional allowance, and I think if any should be given it is to the men with small pay. They need it. We think we should be just the same as clerks and letter carriers in that respect as we are under the yearly wage limit.

We have another request and that is that copies of these schedules may be sent to the heads of each department so that our employers may understand what are our needs. I would like you to press this request for annual holidays. It is only justice when it is allowed in all the other provinces. Some time ago a request was sent to the department for it and it was said that we should have it, but did not. It seems to me that the blow is struck at the line of least resistance every time. That is all I have to say, thank you.

Mr. GREENFIELD.—There are a couple of points that have occurred to me in regard to insurance and annuities. It is a remarkable thing that in the whole Dominion of Canada there are only 200 insured under the Government insurance system, and while the annuity system is in vogue I have often asked postmasters on my travels whether they have had any applications for annuity and they say 'No.' Now it just occurred to me that in order to have efficient insurance and annuity, that the public should be made aware of the benefits that accrue from these things. I think if the Government would employ agents to go through the country and lecture on these annuities the system would be more greatly taken advantage of than at the present time, because there is no one to instruct the public as to the benefits to be derived from annuity and insurance.

This closed the meeting.

EVIDENCE OF HEADS OF DEPARTMENTS, DOMINION CIVIL SERVICE, AND DELEGATION FROM CIVIL SERVICE ASSOCIATION, NEW WESTMINSTER, B.C.

Before Mr. R. S. Lake, Public Service Commissioner, in the Office of the Collector of Customs, August 1, 1912.

ANGUS MUNN, Collector of Customs, New Westminster, B.C. Salary $2,000.

Q. How long have you been receiving your present salary? A. Since 1902.

Q. What salary were you getting up to that time? A. I started at $1,400 as Collector of Customs.

Q. When did you first enter the Customs? A. In 1897.

Q. Do you contribute to the superannuation or retirement fund? A. To the retirement fund.

Q. I would just like a general statement as to the number, status and salaries of employees in this office? A. I have six employees in the office at present.

Q. Have you an assistant? A. No. I have had a chief clerk since April 1.

Q. What is his salary? A. $1,500 since February.

Q. And how many clerks have you? A. Four besides the chief clerk.

Q. How do their salaries range? The four clerks get $75 a month each and in addition to that one clerk gets an allowance of $100, that makes his salary $1,000 a year.

Q. And the others all get the same salaries you mentioned? A. Yes.

Q. No further allowance to any salaries outside of what you mentioned? A. No.

Q. In regard to the outside service of this port? A. We have just one landing waiter.

Q. Does that constitute the whole staff at New Westminster? You seem to have some preventive officers? How many sub-officers have you in the outports A. Eight.

Q. What is their standing? A. Sub-collectors and preventive officers.

Q. What do your preventive officers get? A. Their salaries range from $900 to $1,100 a year.

Q. What is the special work of preventive officers? A. As a matter of fact most of them are collecting, and they are supposed to patrol.

Q. At what particular points are they stationed? A. Where railways cross the boundary and roads come in. Some are at roads, some at railway offices, while two sub-collectors are on the Fraser river.

Q. What salaries do these sub-collectors get? A. They run from $1,450 down to $800.

Q. They give the whole of their time to the work they do? A. I don't know about the man at Ladner. He could not afford to at $800. He probably does some other work close to his office.

Q. What are the hours of work in your office—the hours you have to keep your clerks I mean? A. From 8.30 or a quarter to nine in the morning till 5.30 in the afternoon.

Q. You very seldom let them out before that? A. Very seldom.

Q. And sometimes you have to stay later? A. Yes, we come back after night and try to keep the work up.

Q. Do you allow any regulation vacation? A. We allow it, but with the staff provided I am unable to give each one the vacation they should receive.

Q. What vacation is supposed to be granted? A. Three weeks in the year.

Q. But they have not been able to take it for some time past? A. The chief clerk had two weeks last year, but has had none since.

Q. You cannot see your way this year to give them all leave? A. Not without relieving officers.

Q. Have you ever had a relieving officer in the past? A. We have never had one since I have been in charge of the office. Any holiday work has to be performed by others.

Q. Yes, that is the case in other offices. It is found possible to do that by some of the others working a little bit harder. Don't you find it possible to do that here? A. No, we cannot. It all depends on how we take on the staff. If we employ a man for a couple of years and then a new man comes in he does not understand the work and cannot take his place. We want a number of experienced men all the time.

Q. Do find any difficulty in keeping clerks and other officers? A. I have had some difficulty. The only way I could keep them was to encourage them by telling them that increases would come.

Q. Have you had many leave you after training them? A. No, not many.

Q. Do they get regular increases? A. They have been starting at low salaries, and do not get regular increases.

Q. But salaries are increased from time to time? A. Oh, yes, in two or three years.

Q. Is that on your recommendation? A. Not wholly, because the same increases have been paid at other ports.

Q. But I suppose no man would get an increase unless you recommended him? A. No.

Q. In order to get an increase for one of your clerks do you take the initiative or does the clerk usually approach you? A. He must approach me. It is understood they must do that. They cannot go direct to the department.

Q. But a man does not get an increase as a rule unless he comes and asks for it? A. Yes, that is the case, though some received an increase on the first of April, which they did not apply for.

Q. Was there a general increase on the first of April? A. Yes.

Q. Do you know whether is was made from the Atlantic to the Pacific or just for the west? A. I don't know.

Q. Are you supposed to get any special allowance here on account of the cost of living in the west? A. No.

Q. How many of your employees are on the permanent list, and how many considered to be merely temporary? A. That is including the outport officers?

Q. Yes? A. Ten including myself on the permanent list, and six, including a substitute for Mr. Thomas on the temporary list.

Q. What is Mr. Thomas away for? A. He is away on account of illness.

Q. Does he get full pay during the time he is away? A. No. Three weeks only.

Q. A man is only allowed to be ill for three weeks? A. He is away for three months, but is only allowed three weeks pay.

Q. Will he have to pay for the substitute? A. No.

Q. In case of the permanent officers, if they get ill, how long is allowed them on full pay? A. There is no special rule about that.

Q. If a temporary officer is ill does he get pay? A. No, pay is supposed to cease with his work.

Q. Have any of these temporary officers been a long time in the service? A. No, not the officers I have now. You see the district was divided in April.

Q. About how long has the longest been with you? A. The longest has been no more than nine months.

Q. Do any of your other officers contribute to the superannuation or retirement funds? A. To the retirement fund, yes, all the present ones.

Q. But none to the superannuation fund? A. No.

Q. What is the revenue of your part of New Westminster and its outports? A. I cannot say off hand. I will get that down for you.

Q. What are the names of your outports and preventive stations? A. Huntingdon, Ladner, Steveston, White Rock and Chilliwack collecting stations.

Q. What is your personal experience of the increased cost of living in the last five or seven years? A. I should say it has been about 40 per cent in the last seven years.

Q. You are not speaking in a general way. You have gone into this question? A. No, I am speaking in a general way.

Q. Have you given much thought to the question? A. No, but I am a man with a family and know what it means.

Q. Are you pretty well convinced that it will cost you 40 per cent more to live in the style you were accustomed to seven years ago? A. Yes.

Q. In your view, do you think the subordinates of your office are getting sufficiently paid? A. No, I think not. Pay is better since April 1, and some of the officers are just taken on. I would like to see them get increases regularly.

Q. That is one of the measures you think would tend to improve the efficiency of the service? A. Yes.

Q. Have you any other suggestions that you think would promote efficiency in the service? A. No. Pay them good salaries.

Q. Do you think there is an alternative to good salaries in bringing them under the conditions of the Superannuation Act? A. Yes. I think it will encourage them.

Q. Have you any officials getting to an age at which they are not able to do efficient work? A. No, but I think after a man has been in the service for some time and has proved efficient he should be entitled to promotion.

Q. Have you any opinion as to the age at which men should leave the service under superannuation? A. No. It would depend on a man's ability to do his work.

Q. You would not fix a definite limit? A. I would have a period of service, say 30 or 35 years.

Q. You think the period of service would be better than an age limit? A. Yes, taking his health into consideration. Some men are more capable at seventy than others at fifty—at least in better condition as to their health.

Q. Anything else you would like to put on record in regard to the work? A. No, except overtime at frontier ports, but that I think it will be better to leave until the collector at White Rock appears.

Q. But you are capable of giving an opinion about that? A. I think they should be paid overtime at these ports, and the payment should be made by the railway company. For instance, when an American officer is called out after ten or half-past ten at night he receives $5, I think it is for the work. On our side he receives 80 cents and the government has to pay it.

Q. Then you think the American plan the better of the two? A. Well, I think it seems unfair that a foreign railway should get past us free while on their own side of the line they have to pay overtime for customs officers.

Q. And what are your collections at this port? A. I have the figures here now. For the twelve months ending March 31, 1912, for New Westminster they are $258,943.46 and for the outports $236,474.91, or a total for the whole of $495,418.37.

Witness retired.

CUTHBERT COLEMAN WORSFOLD, District Engineer of Public Works Department. Salary, $2,500.

Q. Do you do any work other than in the department? A. No.

Q. And the amount you have mentioned constitutes your whole salary? A. That is the whole salary.

Q. When were you appointed to your present position? A. Since the 28th of May last.

Q. And how long had you been in the government service previous to that? A. Since March, 1892.

Q. In what capacity were you working then? A. I was first draughtsman, and then assistant engineer.

Q. Have you been in the west all the time? A. Yes, in this office under the district engineer.

Q. Do you contribute to the superannuation fund? A. No.

Q. Or to the retirement fund? A. No.

Q. Are you under bond? A. No.

Q. Could you give me a general statement of the number and status of the men employed in your office? A. I have four assistant engineers. Three are in the office and one on the works down the river all the time. He is looking after a contract we have there.

Q. What salaries do the assistant engineers receive? A. From $1,700 to $2,200 per annum.

Q. And you have what other employees? A. An accountant and assistant accountant.

Q. And what do they receive? A. The accountant gets $2,300 and the assistant accountant $1,500.

Q. And the juniors in the office? A. Just a clerk and messenger who gets $70 a month.

Q. That is the whole staff? A. Yes.

Q. None of them contribute to the superannuation or retirement funds? A. No.

Q. What are their hours of work? A. From 9.30 to 4.30 with an hour for lunch.

Q. Do they ever stay overtime A. Not very often, though I do at times, especially when it has been a month when there are a great many cheques to sign, but as a rule there is not much overtime.

Q. Do they get regular vacation? A. No one has ever got any in our office, though they are supposed to have three weeks under the regulations.

Q. Do they get it every year? A. Very few of us do. I have not had more than three days off since six years ago when I got leave to go to England. I have never had a whole week since then. I suppose it is our own fault.

Q. And your subordinates are in the same position? A. No, they get a certain amount, but the engineers, except for a few odd days have never taken a regular holiday.

Q. Are they all permanent officials? A. All I have mentioned except the clerk and stenographer.

Q. And in case they were sick they would still get their pay? A. Yes.

Q. Is any allowance given them for residence in the west? A. No.

Q. Do you happen to know whether they receive about the same rates of pay as similar officials in the east? A. The engineers I think receive about the same pay.

Q. Have you looked that up occasionally to satisfy yourself? A. The only thing I know about it is that some time ago we got a list from Ottawa regarding engineers, and it showed the senior assistant engineer starts a $150 a month and gets an increase of $100 a year up to $2,400. The junior assistants start at $125 a month and increase to $1,800, and after that I understood that they were to be rated as senior assistants. Then their salaries could increase to $2,400. That is the scale that applies to our service as I understand it.

Q. And that applies to you in British Columbia? A. Yes. I have had an increase every year to last year, and this year if I was still assistant engineer I would be getting $2,300.

Q. The officials are receiving regular annual increments? A. Yes.

Q. But no special allowance for living in the west?—A. No.

Q. How are appointments made to your service? A. They are made by the chief engineer who notifies us.

Q. They are all professional men outside of the clerks and accountants? A. Yes, they are all qualified engineers. The assistant accountant was appointed about four months ago.

Q. Was he a local man? A. Yes.

Q. Was he appointed at the present salary? A. Yes, $125 a month.

Q. Was he a young man? A. No, a man about 45 or so.

Q. He has had some experience? A. Yes, he is a good accountant.

Q. You have a number of officials in different parts of the country I suppose? A. Yes we have—on the works.

Q. Their jobs are temporary? A. Yes.

Q. Have you any sub-offices? A. No.

Q. What is the extent of your district? A. I extend from the boundary line up to Chilliwack along the Fraser river to the east, then we cross the river. It is really the southwestern part of British Columbia, the New Westminster land district and Vancouver island and extends up the coast as far as the 51st parallel opposite the north end of Vancouver island. The eastern district of British Columbia comprises the Yale-Cariboo and Kootenay electoral districts, which are under Mr. Aylmer's charge.

Q. Where does he reside? A. At Chase. The northern district is in charge of Mr. Hull, with headquarters at Prince Rupert. He takes the district from the 51st parallel north to the Yukon.

Q. Does the money expended on public works in this district pass through your office? A. I draw cheques for everything in British Columbia as far as public works are concerned.

Q. You work as an accounting office for the whole province in that respect? I suppose the accounts for other districts are first certified by their offices? A. Yes, but we pay them.

Q. Can you tell me what the total expenditure for the past year has been? A. For the fiscal year ending March 31 it was $716,962.

Q. Does this cover the whole expenditure for the engineers' branch of the Public Works Department for British Columbia? A. Yes.

Q. I suppose all your employees are active men—none getting beyond their work? A. Well, there is one gentleman old, but he still does his work well. He is assistant engineer on the river. He was surveying all last week and the week before and is perfectly capable.

Q. Is the dredging under your superintendence? A. The running of the dredges is not. It is under Mr. Bayfield, but I lay out the work that has to be done and Mr. Bayfield does it. I lay out the work.

Q. Just over your district or for the whole province? A. Just for my own district. The other engineers do theirs.

Q. Do Mr. Bayfield's accounts pass though your office? A. Yes.

Q. Have you made any calculation as to the cost of dredging per yard? A. No, though in our annual report we figure up the total dredging for the year and the cost per yard for each dredge.

Q. Do you do any contract dredging? A. No.

Q. Are you engaged in any very large dredging operations at the present time? A. Well, they are dredging in Victoria with two dredges as a rule, but one is now in Nanaimo. The main dredging has been in Victoria and Vancouver widening the Narrows, though that dredging is at present delayed by the waterpipes there.

Q. But the dredges are kept in continuous employment? A. Yes.

Q. Is there a special vote given by parliament for British Columbia? A. I don't

know whether there is a special vote for British Columbia, but there as a special vote for dredging and we are getting our share.

Q. Do you find that work is ever held up because of the vote running out? A. No, we have never had to stop the work.

Q. And dredging goes on throughout the year? A. Yes, in this part.

Q. Can you tell me in two or three words what is the nature of your work? A. It is the general improvement of harbours and rivers, and on the coast the erection of wharfs and breakwaters, improving channels with dredging and making all necessary surveys for that. Outside of that all foreshore applications go through this office, and plans of wharfs have to be approved here.

Q. Do you have to send out an assistant engineer frequently to look into these matters? A. Yes, the assistant engineers have to travel around all the time and see the work going on.

Q. That statement practically covers all the work? A. Yes.

Q. Your staff really is sufficient at the present time to keep the work going? A. I have authority to look out for a draughtsman, but cannot find one to suit me.

Q. And outside of that things are all right? A. Yes.

Q. Have you any suggestions for the improvement of the service? A. I think it would improve the class of men you would get if there was some superannuation or something of that kind, because as salaries go now and the cost of living there is nothing to put by for old age.

Q. Have many of the staff left of recent years? A. No, except messenger boys and stenographers.

Q. Any other suggestions? A. The only difficulty to my mind with regard to superannuation is, suppose it were started on the same basis as other branches who already have superannuation, would we have to pay back fees? Because the average government official could not take it up if he had to.

Q. You find it takes the whole pay to keep things going? A. It does. Of course I have to carry good insurance as I have nothing else to look forward to.

Q. Do you take out insurance under the Civil Service fund? A. No.

Q. Do any of your officials that you know of take out insurance in the Civil Service? A. Not that I know of.

Q. What is your personal experience in regard to increase in the cost of living? A. Well, a great many things have more than doubled. Help in the household is treble what we used to pay, meat is very much higher and nearly everything is higher.

Q. In the last five years what increase in the cost of living do you suppose has taken place? A. Well, I think the average household bills are fully 35 per cent higher than they were five years ago.

Q. And it is a matter you have looked into? A. Yes.

Witness retired.

JOHN W. MACDONALD, postmaster, New Westminster. Salary, $2,000.

Q. How long since you were appointed to your present office? A. Two years ago last month.

Q. Were you in the service previous to that? A. No.

Q. How many men have you employed under you? A. I have 11 clerks of Class A, receiving $500 a year and the provisional allowance of $180.

Q. Up to what figure do they rise? A. From $500 to $700. They have an increase of $50 up to $700.

Q. How many are there in the higher branches? A. None. All are Class A. You see this office was put on a semi-staff basis two years ago, and none have been in the service longer and were never put in the higher class branches.

Q. Then for the higher branch class of work, you are using Class A men? A. Yes.

Q. Are they all permanent? A. Yes.

Q. And have they passed any examinations? A. They have passed the departmental examination, yes.

Q. Do you or any of your staff contribute to superannuation? A. No. The letter carriers contribute to the retirement fund, but not the inside staff.

Q. What are the hours of work of the inside staff? A. They are doing now about nine hours a day.

Q. Some of them have to work at night, I suppose? A. Yes. The man that works at night takes off two or three hours in the afternoon.

Q. Do they do it turn about? A. Yes.

Q. And do you have to keep some at work on Sundays? A. Yes. Generally four or five work on Sundays.

Q. Are they entitled to any vacation each year? A. Yes, to three weeks.

Q. And they get it? A. Yes.

Q. The rates of pay are the same as in eastern Canada, and in addition they get the provisional allowance of $15 a month? A. Yes.

Q. Have you any difficulty in getting or keeping clerks? A. Yes, I find great difficulty in getting the right kind of men. I may say the men I have at the present time are faithful and good men, but are dissatisfied with the salary.

Q. Do they leave the service after you have trained them? A. Yes, some have left and several are complaining now of the conditions.

Q. If conditions were better and you were able to keep all your men, do you think you could do with a smaller staff? A. No, I don't, on account of the increase in revenue and increase of work.

Q. But a number of your staff cannot be properly trained. I want to ask whether if they were properly trained you could do with fewer? A. No, because the men are overworked at the present time and are putting in more hours than they are entitled to put in.

Q. In regard to the letter carriers? A. I have eleven. They are graded, A, B, C, D and E. I have men of all grades.

Q. They receive the regular salary given to letter carriers, and in addition to that? A. In addition they get the $15 a month provisional allowance and uniforms and boots.

Q. Have you any difficulty in keeping them? No, they seem fairly well satisfied.

Q. Have you difficulty in filling offices? A. None whatever.

Q. Your clerks have to pay bonds? A. Yes.

Q. And they pay for that themselves? A. Yes, out of their salary.

Q. Do they do it individually, or does the government collect the money? A. The government collects the money.

Q. Have you any suggestions to improve conditions and enable you to get more efficient men and keep them? A. I have only one suggestion and that is that salary should be increased for the inside men.

Q. Do you think salary should increase each year? A. I think it would add to the efficiency of the service.

Q. Do you think a superannuation system would effect the same result? A. I think so. I am myself very much in favour of it and so are the staff as a whole.

Q. Would they be content with present salaries with superannuation in addition to that? No, I don't think they would be content with present salaries under the conditions.

Q. You think the condition is such that you will lose some of your clerks unless salaries are increased? A. I think so. I stand to lose two at the present time.

Q. What is keeping them in the service? A. The expectation of something being done to better conditions.

Q. They have offers outside; offers of better pay? A. Yes.

Q. Have you been long a resident of New Westminster? A. I have been here eleven years.

Q. Can you give me any idea on the reported increase in the cost of living? A. I should judge it is 40 per cent more than it was ten years ago.

Q. Have you had occasion to go into the question? A. No, only I have watched the statistics published in the *Labour Gazette*.

Q. You cannot speak from your personal experience? A. No, only from my personal accounts.

Q. Are you a family man? A. Yes, I have six children.

Q. Your household accounts should show something? A. Yes. It shows my expenses have gone up 40 per cent. I have lived in Vancouver, Victoria and New Westminster and I did not find any difference in either place. Some say it is cheaper here than Vancouver. I have not found it so.

Q. What is the revenue of your post office for the last year? A. As I make it, it was somewhere in the neighbourhood of $46,000 in round numbers. I include the stamp sales, money order commissions and box rentals.

Q. Do you serve a large number of sub-offices? A. Yes, some 40 or 50 sub-offices.

Q. Weekly mails? A. All daily mails. We have on the Chilliwack branch of the B.C. electric railway alone about 25 offices.

Q. Are there any railway mail clerks you have anything to do with? A. No, I would like to say there is one condition that would better the service here, and that is more space. I am at a disadvantage for lack of space in the office. The matter I may say has been taken up, but they are very slow in doing anything and the business is growing here very rapidly. I just made out my returns for last month and stamp sales alone show an increase of $1,000 over July, 1911. For July a year ago they were $2,688, and for last month they were $3,693.

Witness retired

JOHN ALEXANDER LEWIS, Senior Assistant Agent of Dominion Lands, New Westminster. Salary, $1,200.

Examined by Mr. R. S. Lake, Public Service Commissioner, Aug. 1, 1912.

Q. How long have you been in the service? A. Six years last April.

Q. How long in the present position? A. Since March 15, 1911.

Q. How much does the agent receive? A. He receives $1,600 as agent and homestead inspector.

Q. What is the staff of the office? A. Four, including the agent and myself.

Q. What is the range of their salaries? A. The lady stenographer gets $50 a month and the junior clerk $65.

Q. Is there any regular increase for any of you? A. No.

Q. Your salaries are permanent? A. Well, I have received irregular increases, but there seems to be no system.

Q. Have you had to apply for them? A. Yes, in each case.

Q. Is it a recognized thing that a man should apply for an increase? A. Yes, it seems to be.

Q. What are your hours of work? A. Nine to 5 from the first of April to the first of November, from 9.30 to 5 from the first of November till the 31st of March.

Q. Do you find you have to stay overtime very much? A. Not here.

Q. Do you get regular vacation? A. Three weeks is allowed.

Q. Are you on the permanent list? A. Yes.

Q. Do you or your officials contribute to the superannuation fund? A. No. I understood that the late Mr. Mackenzie, when he was agent did pay in some time, but they returned him some time ago before he died what he did pay in.

Q. Do you know that for a fact? A. I know there was no superannuation for him, because he was willing to take it some years ago but could not get it.

Q. Have you had to pass any examination to get into the service? A. No.

Q. Do you give bonds? A. Yes, myself and the agent and accountant do.

Q. Who pays for the bonds? Do you pay yourself? A. No.

Q. And you don't pay anything on account of your guarantee bonds? A. No.

Q. Do you know whether you are still guaranteed by any company? A. No, the bond has not been renewed as far as I know since I first gave it in 1908, but I understand that I am bonded.

Q. That the department is paying for you? A. Yes.

Q. What is the amount of business that passes through your office in a year? A. For the twelve months ending March 31 last it was $14,536.98.

Q. Is that the whole revenue of the Dominion Lands Office outside of timber? A. Yes.

Q. What extent of country does your agency cover? A. The railway belt as far as North Bend.

Q. And what office takes it beyond? A. The Kamloops agent, and his district runs through to Alberta.

Q. Your two offices cover the whole Dominion lands in British Columbia? A. Yes with the exception of the three-million acre block in the Peace River district which comes into Alberta.

Witness retired.

EDWARD WALMSLEY. Senior Assistant Agent of the Crown Timber Office, New Westminster. Salary, $1,500. Appointed March 18, 1907.

Examined before Mr. R. S. Lake, Public Service Commissioner, Aug. 1, 1912.

Q. What were you doing before you entered the service? A. I was employed in the penitentiary under the Justice Department for eight years.

Q. What salary does the Crown timber agent get? A. $2,000 a year.

Q. Has he been long in the service? A. Since January 22nd of this year.

Q. Do you or any of the officials contribute to the superannuation or retirement funds? A. No.

Q. How many men are there in your office and what are their positions? A. There is the agent and myself and a timber cruiser, whose work is all outside, and a stenographer.

Q. What does the cruiser get? A. $1,300.

Q. Has he been long in the service? A. Since April, 1909.

Q. Does he receive about the same pay as cruisers of private firms? A. Yes, probably so as a permanent cruiser. When we engage temporary help in cruising we pay $10 a day.

Q. What does your stenographer get? A. $60 a month.

Q. A female stenographer? A. Yes.

Q. Are you entitled to yearly vacation? A. We are entitled to three weeks leave of absence after being a year in the service, but I have never had it myself.

Q. What was the reason? A. I have been unfortunate. The late agent who was an old man, died in May, 1911. He had no knowledge whatever of office work though he looked after the outside fairly well, but he did not understand the inside and I did not see my way to get clear three weeks in a year without the public suffering. I could have got it had I asked for it.

Q. You and others in the office all hold permanent appointments? A. Yes.

Q. Have you had regular increases in salary since being in the service? A. Yes.

Q. Annually? A. No, rather periodically.

Q. What does that increase depend upon? Do you apply yourself? A. Yes, and get a recommendation from the agent.

Q. That is not as satisfactory as if it came regularly without asking for it? A. No.

Q. What is the amount of business done by your office? What are the receipts for the last fiscal year? A. $58,452.15.

Q. Does that all pass through your hands? A. Yes.

Q. What do you do with it? A. We deposit it in the Bank of Commerce here to the credit of the Receiver General. Four times a month we draw a cheque for the amount standing to the credit of the Receiver General and forward it to him.

Q. Your salaries are paid direct from Ottawa? A. Yes.

Q. Have you any expenditures to make outside of small office supplies? A. No, that is about all. We are not allowed to purchase anything outside except perhaps a rubber stamp or something of that nature.

Q. All stationery comes direct from Ottawa? A. Yes, from the stationery branch.

Q. Are you guaranteed? A. Yes, sir, I believe.

Q. You don't pay for that yourself? A. No, I am under $2,000 bonds, I believe I have been since I have been in the service.

Q. Have you any subordinates outside except those you mentioned? A. No. The only other employees connected with the timber department are in another branch the forestry service. We have twenty forest fire rangers.

Q. Where are they patrolled? A. They are scattered from here to North Bend along the railway belt. Their accounts go through our office and are certified by us and sent to Ottawa for payment.

Q. What is the extent of your jurisdiction? A. We cover the territory from Port Moody to North Bend. I say Port Moody because the railway belt does not go any further west.

Q. What salary do you give the forest rangers? A. $5 a day from the first of May till the first of October as a rule.

Q. And they are permanently employed during that time? A. Yes. They keep diary books showing their movements, and they must show that for every day they expect salary they have performed some specific duty.

Q. Any exception to their work? A. Yes. We have one man called chief fire ranger. He gets the same as the others, but with travelling and living expenses allowed while travelling.

Q. And the other rangers pay their own expenses? A. No. If a horse is wanted or a gasoline boat for work along the river we furnish it, but nothing else.

Q. Anything you would like to say further in regard to the service? A. I have no complaint and I don't know that it is suffering in any way that I could suggest might be improved. The interests of the Government and the people are being carefully looked after here, and I think the office is giving general satisfaction.

Witness retired.

FRANCIS HENRY CUNNINGHAM, chief inspector of Fisheries for British Columbia, salary, $3,500. Appointed, March 16, 1911.

Evidence before Mr. Lake, August 1, 1912.

Q. How long have you been in the service? A. Twenty-nine years from April 1, last.

Q. Where were you most of that time? A. I was mostly at Ottawa.

Q. Do you contribute to the superannuation fund? A. Yes.

Q. What does your staff consist of and what are their salaries? A. I have five of a staff one at $1,500, one at $1,200, one at $900 and one at $600. The $1,500 man is assistant inspector of District No. 1, and the other four are clerks in the office.

Q. They are all permanent officers? A. No, they are not on the permanent list. They are all outside officers and therefore do not contribute to any superannuation or retirement fund.

Q. Does that mean when they are sick they lose their pay? A. No, we pay them when they are sick. Fortunately none of them have been sick, but we would pay them if they were.

Q. Outside the office how many officials have you? A. There are eleven officers in charge of the fish-breeding establishments who get $1,000 each and their board, or at least an allowance for board which is the same thing.

Q. How many are employed on an average at these fish-breeding establishments or hatcheries I think you call them? A. The staff at each hatchery would average about five.

Q. They are not permanent men at all? They have no status except as employees at the different hatcheries? A. Practically none.

Q. While they are a little better class than labourers. What pay do they get? A. They get $50 a month the first year and board, $55 a month the second year with board, and when any one is promoted to foreman they get $60 a month and their board.

Q. How do you provide for board? A. We make them an allowance according to the location of the hatchery. For instance, we have a hatchery at Babine lake and one at Stewart lake. They are out of the world and they get a higher allowance for board than at other places.

Q. How much do they get? A. The allowances range from $16 a month in the lower country to $35 a month at Babine and Stewart lake.

Q. Outside the fish breeding establishments what other employees? A. We have two inspectors of fisheries at salaries of $1,800 each, five fishery officers at a minimum salary of $900, increasing $50 a year till the maximum of $1,200 is reached. In addition to this we have two guardians on the Fraser river at $85 a month, and one at $110, this amount including an allowance for board of $10 a month. We also employ local guardians in other parts of the province as may be necessary at wages ranging from $85 to $100 a month. That completes the staff.

Q. About what is expended on your department in British Columbia? A. From $75,000 to $100,000 a year.

Q. How many of your officials get regular increments of salary for each year of service? A. At the moment, none.

Q. You mean none of the regular officers have received any regular increments? A. No.

Q. But they have received increases? A. They have received increases every three or four years.

Q. For which they had to apply? A. Yes, they had.

Q. No man gets an increase without applying? A. No. His application has to be certified by the heads of departments and approved by the minister. It is a bad state of affairs. It is practically impossible for me to get competent and efficient employees to work at a hatchery at their present salary of $50 a month in British Columbia and the service is suffering in consequence.

Q. For the regular officials are you receiving about the same rate of pay as you would receive in eastern Canada? A. Yes, they are receiving about the same pay.

Q. There is no provisional allowance for residence in the west? A. No.

Q. Is there any examination for entering the service at all? A. Not for the outside service.

Q. But for the men in the office? A. No, there is no examination.

Q. You cover the whole coast line? A. Yes. All the fisheries in the province of British Columbia.

Q. Has the Dominion government complete control of the inland fisheries as well as the deep seas fisheries? A. That is a matter that has a legal aspect. At the present moment I believe there are certain questions in regard to it before the Supreme Court of British Columbia. In the meantime the Dominion government is supervising all the fisheries in the province.

Q. Do you find you are able to retain efficient inspectors at the present rates of pay? A. The two inspectors we have now are very efficient and have been a long time in the service, but are continually asking for an increase of pay.

Q. Is there any possibility they will leave if they do not get it? A. Yes, there is a possibility we will lose our best inspector after this summer unless he gets an increase. The other inspector is at the moment looking for another position.

Q. Are any of your employees at an age at which they are beginning to get beyond their work? A. No, none of them.

Q. You have had considerable experience in the inside service. Could you offer an opinion as to what measures should be taken to improve the outside service, speaking from the point of view of getting and keeping efficient civil servants? A. I consider some provisions in the shape of superannuation should be provided for the outside service; otherwise it is impossible to keep the men in the service. They are not able to lay by a competency on their present salary, or in fact at increased salary, and consequently they have nothing to look forward to when their capacity for work is expended, and all they have to fall back on is a superannuation allowance. My experience of twenty-nine years in the Civil Service has led me to believe that there is not a civil servant who has been able to save enough out of his salary to enable him to live when incapacity for work has overtaken him. For that reason I think superannuation should be provided for.

Q. That you think would be the greatest step in getting them to stay in the service? A. Yes.

Q. Have you formed any opinion as to whether there should be a limit to the age for retirement under superannuation? A. There should be a superannuation allowance and a limit for the age for retirement.

Q. What age, in your opinion? A. My opinion is 60 years. My reason for that is when a man has reached the age of 60 he has been in the service so long that conditions have changed and he cannot keep up with them. Young men could come in with new ideas which would be a great improvement to the service.

Q. At what age would you allow a man to enter the service? A. At 18.

Q. You have seen a good deal incidentally of the outside service and judged it with the eyes of an old inside civil servant. Do you think the service is suffering generally from lack of a superannuation system to keep officers from getting beyond their efficiency? A. Yes. For instance in the service of another department I noticed three men for whom the service would be better if they were out. They are beyond their work and are holding positions which young men ought to aspire to.

Q. What are the hours of work? A. We have no fixed hours in our office. Since I have been there, for one and a half years, the hours have been from 9 to 6, and not only that, but there is generally one or two of us back two or three nights in the week.

Q. Any vacation? A. Yes, I allow them off generally for a week or ten days as the work will allow.

Q. Do you or your officials give bonds? A. Yes, I give a bond, but the officials do not.

Q. What do you pay? A. I pay $5 and the department the rest.

Q. Do you know what the rest of the contribution is? A. I think my bond is $15. They pay $10 and I pay 5.

Q. You have lived many years in Ottawa. Have you any data from which you could suggest how the cost of living at Ottawa compares with the cost of living here?

A. I have a family consisting of a wife and five children. My housekeeping expenses in Ottawa were $100 a month, and in British Columbia similar expenditures in every respect amount to $150.

Q. Is this accounted for purely by the higher cost of necessaries? A. Yes, by the higher cost of necessaries.

Q. Then you are living to all intents and purposes exactly on the same scale as at Ottawa? A. Yes, exactly.

Q. Have you to make any purchases of supplies in connection with your work? A. Yes. All prices have to be approved by the purchasing agent.

Q. What class of supplies do you purchase? A. All kinds. Ship chandlery, hardware, supplies of all kinds for the fish breeding establishments and for the boats in connection with fishery protection.

Q. How many of these boats have you? A. There are four steamers and a number of gasoline boats. I could not tell you how many.

Q. You must have a number of employees in connection with them? A. Yes, on the three steamers there are nineteen men employed as crew, and the gasoline boats are looked after by the fishery officers, and they are supplied with one engineer.

Q. What salaries do you give to your crews and engineers? A. They are based on the prevailing rate of wages. The captains get $100 a month, the engineers $90, and the firemen $50.

Q. When you told me your expenditure amounted to $75,000 to $100,000 a year, you included the cost of these boats and supplies? A. Yes.

Q. And all these purchases are made in what way? A. A requisition is made by an officer to me of supplies required. I then procure prices from different merchants.

Q. Are you restricted in your choice of the merchant? A. No. I state the lowest price on the requisition which is forwarded to the purchasing agent at Ottawa, who returns it to me with a covering order which is authority for purchasing the supplies from whoever is cheapest.

Q. Is there any other suggestion you would like to make? A. There is one matter, and that is the different system of dealing with accounts in different departments. Accounts have to be forwarded to Ottawa for payment which takes considerable time, and in many cases cheques in payment of the same are not returned for some weeks. This the merchants consider a great hardship, and are much in favour of the accounts being paid by the officer in charge of the service in the province.

Witness retired.

PETER BYRNE, Indian Agent, New Westminster, B.C. Salary, $1,200.

Examined by Mr. Lake, August 1, 1912.

Q. Have you any allowance in addition to your regular salary? A. No.

Q. Have you any officers under you? A. One clerk.

Q. What does he receive A. $50 a month.

Q. That covers everything? A. Yes.

Q. How long have you held the appointment of Indian agent? A. Since the first of May, 1911.

Q. You do not contribute to the superannuation or retirement funds? A. No, sir.

Q. There is no regular increase of salary? A. No.

Q. Is the clerk appointed under an engagement to give him a regular increase of salary? A. Not that I know of.

Q. Is the same clerk with you as when you came? A. Yes, he was appointed about the same time. The ex-agent and his clerk retired about the same time.

Q. What were their salaries? A. The same.

Q. Had the former agent been long in the service? A. Eight years.

Q. And he retired of his own free will apparently for the purpose of bettering his condition? A. Yes, as far as I know.

Q. What office hours do you keep? A. My office hours are generally from 9 to 6 when in the office. When outside the office among the reserves it depends a great deal upon travelling facilities. I have to travel great distances.

Q. Is there any yearly allowance of leave of absence? A. No, I have never made any application for leave, but the clerk gets three weeks.

Q. Do you give bonds for your good behaviour? A. No sir, not that I know of.

Q. What is the extent of your district? A. Seven thousand square miles approximately.

Q. And about how many different reserves? A. I think it is about 35 or 40 bands of Indians and about 170 reservations or allotments of land.

Q. And what do you think the Indian population is? A. The population is 2,395 I believe all told.

Q. Is there any regular treaty payment? A. No, sir.

Q. Your duties are what, roughly speaking? A. Primarily it is to look after the Indians generally and to impress upon them the necessity for sobriety and to educate them as much as possible and see they get medical aid when needed. For that there are seven physicians in this agency.

Q. What do they receive? A. Various salaries. In reference to my duties I may say further that I have to deal with violations of reserves. Where [illegible] or other corporations desire a portion of the reserve I have to report to the department. My reports are generally taken at headquarters.

Q. You have a good deal of work in this connection? A. Yes. In regard to the erection of houses a great many have what is known as bond funds derived from the sale of lands, and from this the department from time to time contributes or purchases for these Indians building material, agricultural implements, fruit trees and things of that kind. I have to bring down estimates of the quantities of material required for the houses and so on generally to look after the Indians as if they were children.

Q. Is there any distribution of supplies to them? A. Yes, I furnish the destitute and sick supplies such as flour, tea and rice, and in sickness, sugar.

Q. So you have to keep strict accounts? A. Yes, I have to keep everything so that a man could enter my office and ask me about it and I could answer any question affecting that matter off hand. Besides this is a central office right in the centre of the fishing and hop picking industry, and the Indians from all around British Columbia who come fishing and hop picking are under my supervision while here. I have to look after them and if there are any destitute provide them with food and if sick report to a doctor to attend them.

Q. You find it keeps you busy? A. There is a lot of work entailed of course.

Q. In regard to the doctors, you say they receive various salaries. What do they vary at? A. From $100 a month down to $33, depending upon their positions and the duties they have to perform.

Q. Do their duties demand their whole time? A. They are at liberty to practise all they want to, but must attend to the Indians.

Q. They are paid practically only a retaining fee with the obligation to attend to any Indian needing their services? A. Yes. Those who get the highest salaries are those in this town and Vancouver.

Q. What proportion of their time do you suppose it takes? A. I cannot say. There is a great deal of work they have to do, in the salmon season particularly. This system tends to cause them to bring all their ills to the doctor and if they have a sick person up on the reserve they often bring them down to be attended to, that is if there are no physicians where they come from.

Q. Could you tell me about the expenditure on incidentals in your agency? A. Not definitely, but I may say that in connection with education alone in this agency

there is about $60,000 a year expended on the grants made. There is one Industrial, three what is known as boarding schools and one day school for the Indians.

Q. Are the officials of the Industrial school officials of the Government? A. No, all these schools are carried on by religious Orders and get a grant of so much per head for each pupil.

Q. And they are all within your agency? A. Yes, there are six.

Q. Is there anything you would like to say in regard to the betterment of conditions in your department? A. No, only owing to the geographical location and the various outside work we have to do it is a little different than a great many Indian offices.

Q. Do you think any Indian agent receives what his work is worth? A. I think the salaries are all about the same. Nearly all accounts for Indians in regard to hospitals and insane asylums are paid through my office. For example there are quite a number of Indians insane, and all accounts for their treatment pass through my office.

Q. And the Government contributes to the asylum? A. Yes, $20 per month for each Indian inmate.

Q. Have you any idea of the amount that passes through your office in a year? A. I cannot say exactly, but I should think it would be fully $100,000.

Witness retired.

JOHN CUNNINGHAM BROWN, warden of British Columbia Penitentiary. Salary, $2,200. Appointed, November 27, 1907.

Q. Do you contribute to the superannuation fund? A. No, to the retirement fund. In addition to this I understand that there is special provision in the Penitentiary Act for gratuity as applying to myself.

Q. What is the number of your staff? A. I cannot give you the exact number, but can get it for you in a few minutes. It is somewhere about 40.

Q. They receive salaries according to the schedule of the Penitentiary Act I suppose? A. Yes, with this difference. I understand Sir Allen Aylesworth prepared an amendment considering the wages insufficient, and the present government intended to enact that or something like it last session, but having so much business they voted instead a special bonus to all officers whose salaries were under $1,000.

Q. What was the amount of the bonus? A. $100.

Q. According to the schedule the leading officers of this penitentiary do not receive any larger salary than the senior officers of other penitentiaries? A. There is a difference in the wardens. The warden of Kingston penitentiary receives $2,600 with the same allowance. That I am told is to some extent on account of the industries carried on there. St. Vincent de Paul is the next. The warden there receives $2,400. The others are all $2,200. As far as our penitentiary is concerned when I took charge there were 145 prisoners in custody, the maximum up to that time. To-day I have 344. A few weeks ago I had 348. It keeps rising and falling, but the increase since I took charge is 155 per cent more than it ever was before that, and this was the fourth penitentiary in point of attendance. Dorchester which had more a few months ago is now more than a hundred under me. This penitentiary is beginning to crowd St. Vincent de Paul. It is going, I am afraid, to be the most populous penitentiary in the Dominion before long. Conditions are so different here than in the east.

Q. According to the schedule in comparison with Dorchester penitentiary your senior officials receive about the same rate of pay? A. The same scale I think exactly.

Q. But some of the junior officers receive a slightly higher rate, including watchmen and guards? A. Yes, that was granted some time ago on account of the greater cost of living in the west.

Q. Did you live in the east yourself previously? A. No, I am an old countryman, but came out here when I was a boy. I have been here ever since.

Q. What are the hours of work in the penitentiary? A. The prison opens at 8 o'clock and closes at 6 o'clock in summer, and in winter when it begins to get dusk.

Q. But about how many hours a day do you work your staff generally speaking? A. The guards are on duty in summer for ten hours with an hour for lunch, nine hours actually at work.

Q. And your clerical staff? A. The accountant works as it is necessary. He puts in about eight hours a day or something like that. The warden's clerk has been recently appointed. I told him I did not want him to stay after 5, but he usually stays till 6.

Q. What salary does your clerk get? A. $75 a month.

Q. Do the officials get regular vacation every year? A. I am authorized to grant any number of days for holidays up to fourteen days in a year, except for myself, I am not supposed to be absent for more than 24 hours without notifying Ottawa.

Q. Have you been able to get leave of absence? A. I got two weeks leave of absence when my son was ill up country, but it was not so serious as expected, and I was back in a week. Apart from that I have been off four times for a day and half. Next week I am going off under doctor's orders for a week.

Q. There is no regular increment of increase in the salaries of your officials? A. No, it is fixed by the Act.

Q. Have you any difficulty in keeping your officials? A. I have a great deal with men who have not become entitled to a gratuity. The old officers who would sacrifice their gratuity if they left are held here by that, but among all recently appointed men I have quite a number of resignations to better themselves, and I have tremendous trouble with men trafficking with the convicts. I have discharged two lately and am going to discharge one to-morrow that I thought trustworthy.

Q. What do you put that down to? A. Because the salary is small according to western standards, and there is the temptation to make a little extra money.

Q. If they were better paid it would improve matters? A. I think it would help matters, yes. You see they don't allow the prisoners tobacco in the penitentiary and I think it is a mistake. Men who have been used to it will do anything to get it. Their friends send money and they give it to the guards to get them a little tobacco.

Q. Have you any suggestions for bettering the service outside of that? What is your opinion in regard to superannuation? A. I think a good, contributory scale of superannuation would have a good effect. It would act similarly to a gratuity.

Q. What is the annual expenditure on the penitentiary? A. Last year a little over $100,000, but I think $23,000 of that was a special vote for the steel fronts that will be used in the new building. A great deal goes in building. For the cost of maintenance I have not the figures, but can get them.

Q. Never mind I can get them from the blue book. In your opinion has the cost of living largely increased within the past few years? A. Very greatly. When I took charge of the penitentiary we bought our beef by contract. We got it for six cents a pound, now we pay nine and three-quarter cents, and other provisions are in much the same proportion. My family are constantly complaining of the cost of household necessaries. My grocery bill for the past three months has been more than the monthly salary of my guards, and we are not extravagant and do not use any wines or anything like that.

Witness retired.

The above concluded the evidence of heads of departments in New Westminster.

The commission adjourned.

DELEGATION FROM DOMINION CIVIL SERVICE ASSOCIATION, NEW WESTMINSTER, B.C.

Interview with Mr. R. S. Lake, Public Service Commissioner, August 1, 1912.

DELEGATES PRESENT.

J. W. MacDonald, postmaster; Peter Byrne, Indian agent; C. A. Allen, Inland Revenue Department; E. D. Lennie, Customs Department; N. M. Matheson, Customs Department, Rev. E. A. Vert, penitentiary chaplain; J. W. Harvey, penitentiary accountant;; E. W. Money, Post Office clerk; William Taylor, letter carrier; John Gough, letter carrier.

The Rev. E. A. Vert, chaplain of the penitentiary:—

I have been asked to lay before you certain matters which we think would be of material benefit to the association of civil servants in the west. There is one point that for a considerable time past we have endeavoured to convince the government of, but I am sorry to say we have apparently utterly failed in our object. We not only failed to impress the government, but I am afraid failed to impress our own brethren in the federation, and it was with great gratification that I heard from your lips this afternoon that there was still much to be learned in regard to conditions in the outside service in the west. Our position has always been that there should be some discrimination in dealing with civil servants in the west as against those in the east—that it costs the civil servant in the west a great deal more to live than the civil servant in the east. I don't know on what ground it has been disputed that such is the case. The Minister of Labour has month by month explained it in such form that it would be impossible for any one who studied it to doubt the correctness of our position. We find in the east the same salary is paid the same class of civil servant doing the same class of work as in the west, yet when it comes to ordinary labour we find that even a labourer on the street in the east has a much larger salary than the civil servant working in the western part of the Dominion. If there is any doubt of that it is easy enough to refer to the *Labour Gazette* of March, where in an article prepared—I know not by whom, but I presume it is accurate—we find where unskilled labour in Toronto received from $12 to $13.50, the same class of labour in the west was raised as high as $19.20 a week. I go to the lowest depth we can reach—unskilled labour—but I do not think it would be difficult to show that all up the line the workman in the east is receiving a lower wage than the man engaged in corresponding work in the west, and I think rightly so.

We can quote from the Minister of Labour in the *Labour Gazette* and we find in the month of May that whereas a workman in New Westminster has to pay $25 rent for his house, in Ottawa the same workman pays $10 for his house. Now it is not very hard to realize that it would be only fair that the workman in the west should receive a larger salary than the workman in the city of Ottawa. As a matter of fact there was a contract let in Ottawa some time ago, and it was a surprise to us when we considered the figures in the contract. It showed that stonecutters were to receive 44 cents per hour for eight hours, while in New Westminster the same class of workmen receive 68¾ cents per hour for eights hours.

Mr. LAKE.—What date was that?

Rev. Mr. VERT.—This was prepared on the 28th of November two years ago and copied from the *Labour Gazette* a month previously. There were two contracts. The one mentioned was in Ottawa and we took a contract let in New Westminster at the same time and compared the two.

Mr. LAKE.—This was a private contract?

Rev. Mr. VERT.—No, it was a government contract. I may say that about the only difference in conditions was that while in New Westminster the majority of the tradesmen work eight hours a day, in Ottawa with the exception of the stonecutters all work 9 hours. We have prepared this comparative statement from the two contracts I have mentioned:—

	Ottawa.	New Westminster.
Stonecutters	.44c. per hour, 8 hours	.68¾c. per hour, 8 hours.
Bricklayers	.50c. " 9 hours	.68¾c. " "
Masons	.50c. "	.62½c. " "
Carpenters	.25c. "	.50c. " "
Joiners	.30c. "	.50c. " "
Stairbuilders	.30c. "	.50c. " "
Plasterers	.40c. "	.62½c. " "
Lathers	1.75 per 1,000	3.25 per 1,000.
Painters-Glaziers	.27½c. per hour	.40c. per hour, 9 hours.
Plumbers	.36c. "	.62½c. " "
Steamfitters	.36c. "	
Tinsmiths	.30c. "	.62½c. " "
Metal Roofers	.30c. "	.50c. " "
Electrical Workers	.25c. "	.34⅜c. " "
Builders' Labourers	.25c. "	.34⅜c. " "
Ordinary Labourers	.18c. "	
Driver Horse and Cart	.25c. "	
Driver Team and Wagon	.45c. "	

This I think justifies my suggestion that of course it was quite natural that the labourer in the east should receive less for his labour than the labourer in the west, and rightly so on account of the cost of living, say even house rent alone which is $25 a month for a six-roomed dwelling in workingmen's quarters in New Westminster as against $10 in Ottawa, $9 in Brockville and so corresponding till you get to Port Arthur. I may say that ten years ago I paid a rent of $12 for a house I pay $35 for to-day.

Mr. LAKE.—That is your personal experience?

Rev. Mr. VERT.—Yes. I do not say the figures in this *Gazette* are at all times absolutely accurate, but we have gone to considerable pains in this matter. About two years ago the association formed a committee to draft a statistical report of the percentage of differences between the east and the west, but I regret to say that the gentleman to whom I loaned my copy is not in town to-day and I cannot obtain the use of it. We are told in the *Gazette* that sirloin steak is purchasable in New Westminster for 22c. a pound.

Mr. LAKE.—That is for May, 1912?

Rev. Mr. VERT.—Yes. That is altogether wrong. You can not begin to purchase sirloin steak for 22c. You can buy round steak but sirloin steak is from 28 to 30c. But even presuming it is 22c., which it is not, we find that in Ottawa it is 20c., in Kingston 20c., and in the next town 18c., till you come to Port Arthur where the rise comes to 25c., showing there is a difference there in that one item. Then take what is known as 'medium cut,' which is 18 cents here and 12½ cents in Ottawa and other towns till you come to Port Arthur where it rises to 15 cents and at Regina it is 18 cents. You come to mutton and you find that it is 22 cents here and at Ottawa 20 cents, and you work down the column to 15 cents. Then take fresh roasting pork that you cannot buy for less than 20 cents here but which is sold at 14, 15, and 16 cents at different points in the east till it reaches 18 cents at Regina. I

would only tire you I am afraid, Mr. Chairman, in going over these figures, but with one exception we find in every *Gazette* published the cost of living is shown to be greater in the west than it is in the east, and it is shown that in every trade or profession consideratiin is taken of that fact.

Mr. LAKE.—I may say that the editor of the *Gazette* who is secretary of the Civil Service Association at Ottawa placed the increased cost of living in the west over the east at 15 to 18 per cent. I think you said at first that your brethern in the Civil Service in the east hardly represented your case with justice. I only wish to point out that it was Mr. Coats who gave the evidence I have referred to.

Rev. Mr. VERT.—Why I said that was that at the annual meetings of the Civil Service Federation they have hardly seen their way clear to make it one of the points at issue, and yet it seems to us a matter of vital importance. If a dollar is valued at 100 cents in the east and only 86 cents in the west the salary we are supposed to be receiving from the Government is not being received and we desire in as strong a manner as possible to call attention to this fact, and we feel sure that you will give it very careful and serious consideration. I will not take up your time further in regard to this. The *Gazette* demonstrates what I am glad our friend at Ottawa has said, that there is a difference in the cost of living between the west and the east and I presume provision will be made for it.

Mr. LAKE.—I did not want to cut you off in your statement, but in fairness I wanted to show that he had given that evidence.

Rev. Mr. VERT.—I am aware of course that there has been a great increase in the cost of living in the east also. I have just been reading some London papers. In Middlesex we have the garden of Ontario and find that prices there have soared and I do not contradict the assertion except with regard to rent which is terrible to face in the west, and I repeat that the salaries paid to officials in British Columbia to-day do not begin to be a fair estimate of the value of a man serving the Government.

Mr. LAKE.—Before you leave the question of the cost of living, have the civil servants here any proposal to remedy it?

Rev. Mr. VERT.—We ask that the Government recognize the position of all civil servants in the west in the same way as one department has recognized it. The Minister of Inland Revenue has recognized the necessity of a provisional allowance for civil servants living in the west, and I think, with the exception of the Department of Agriculture, these are the only two departments in which that position is realized and recognized. We suggest that if it is right and expedient to grant a living allowance in one Department it is right and expedient to grant it to all. Our prayer to you is to recgnize our claim for a liberal allowance. We do not suggest the amount: if you recognize the principle the sum will be easy of adjustment.

Mr. LAKE.—Evidence has been given to show that one or two departments have recognized the necessity for an extra living allowance in the west, but it is not general. Some departments evidently get nothing at all. I think there is no question that you are right in your attitude that all should be treated alike.

Rev. Mr. VERT.—That is our contention. At the same time I hope it will not be suggested that in order to keep us all on equality the living allowance be taken from the postal clerks.

Mr. LAKE.—I do not think any one would think that.

Rev. Mr. VERT.—I was asked also to speak on superannuation from the standpoint of our own department.

Mr. LAKE.—What department?

Rev. Mr. VERT.—The penitentiary. I may say that we have been struggling along for a number of years to have the conditions of the service in the penitentiary ameliorated. Our guards receive $58.33 for a month's salary. Personally I have felt that there was something peculiar in that, a man picked off the street receives $58.33 and after he has been 10, 15 or 20 years he still receives the same. If I am wrong in this I would ask Mr. Harvey, the penitentiary accountant who is present, to correct me.

Mr. HARVEY.—A man picked up off the street gets $50 after three months and then if accepted receives $58.33.

Mr LAKE.—May I ask if he gets any special allowance for food or clothing?

Mr. HARVEY.—When he is placed on the permanent staff he gets two suits of uniform a year comprising boots, tunic, a pair of pants and a hat.

Mr. LAKE.—And he gets nothing for subsistence?

Mr. HARVEY.—Nothing sir.

Rev. Mr. VERT.—The result of this has been made particularly clear during the past few years. The staff has been changing all the time. You go down from your office one day and never know if you will see the same face to-morrow. The fact is they cannot secure suitable guards and when they do find one some one will take him away at higher pay.

Mr. LAKE.—How long have you been on the penitentiary staff?

Rev. Mr. VERT.—I have been there nine years sir. At that time when I came on we hardly ever had a change on the staff. It was comparatively easy to get along on the salary then.

Mr. LAKE.—Do you think the efficiency of the service suffers on this account?

Rev. Mr. VERT.—I do not hesitate to say that the efficiency of the service suffers on account of the total inadequacy of the salary paid. I mentioned the guards, but I speak for every officer in the service. I believe that from the warden down the salaries should be much larger to enable a man to keep himself in a decent and respectable manner. We have tried in every way to put our position before the minister and the result was that last session our member was successful in getting an allowance of $100 a year for those whose salaries were below $1,000, with a promise that the schedule would be amended during the coming session. We have had that promise year after year, but parliament has sat and risen, and we have had the promise and that has been all. I know, sir, that in the penitentiary service we should have the best possible men, men who can be absolutely relied on. We cannot get them for $58.33 a month while they are paying on the street $3 a day. Even a fourth class constable in this city gets $75 a month for the first year ending with $90 in the fourth year, when if he is made sergeant he may get $110. I want you to contrast this with the niggardly pay given to the officers of the Dominion government. I trust I am not speaking too plainly?

Mr LAKE.—I want absolute frankness. I want to hear exactly what you think.

Rev. Mr. VERT.—I wish to speak plainly since the opportunity is given to us, and I am simply acting as the mouthpiece of others and striving to give you what is absolutely reliable information.

Mr. LAKE.—I suppose there are some officials of the provincial government resident in New Westminster. Can you give me any comparison of the salaries they receive with the salaries paid by the Dominion government?

Rev. Mr. VERT.—Yes. I have here a list of salaries supplied by Dr. Doherty, the medical superintendent of the hospital for the insane which is under provincial control. I will read them over to you.

	Per Month.
Medical superintendent	$218
Assistant superintendent	155
Bursar	132
Asst. bursar	85
Analyst	81
Steward	85
Engineer	80
Gardener	80
Farmer	80
Plasterer and mason	80
Carpenter	70
Tailor	67
Baker	80
Cook	90
Painter	75
Chief attendant	82
Matron	95

Male nurses or attendants, $40 to $50 together with board room and uniforms.

Female nurses, $25 to $47.50.

N.B.—All above officers and mechanics receive two meals per day and one uniform per year free of charge.

(Signed) C. E. DOHERTY,
Medical Supt.

Mr. LAKE.—Now give me what you receive in the penitentiary as compared with that.

Rev. Mr. VERT.—Probably the accountant is in a better position to do that than I would be.

Mr. HARVEY.—Our steward gets $75 a month and the provincial steward gets $85 and two meals per day; our carpenter gets $66.66 as against $70 paid by the provincial government. The accountant gets $100—and I have been there 18 years—and the bursar, who occupies the same position in the provincial asylum gets $132 a month.

Mr. LAKE.—And does exactly the same work as you do?

Mr. HARVEY.—Yes, sir. I think there has been an increase in their salaries since this schedule was drawn.

Mr. LAKE.—I think it would be a good thing if you would send me an estimate of what the provincial government is paying. About how many inmates are there in the asylum?

Mr. HARVEY.—About 600.

Mr. LAKE.—And how many convicts have you?

Mr. HARVEY.—About 340. But the bursar there has an assistant or two besides. The assistant gets $85 a month.

Mr. LAKE.—And you have to do the work without an assistant?

Mr. HARVEY.—Yes.

Mr. LAKE.—Can you make the statement now that the lowest pay given by the provincial government in their institutions is higher than the Dominion government give to the officers of the penitentiary?

Mr. HARVEY.—There is no doubt of that.

Mr. LAKE.—Can you give me any figures in regard to the pay of junior clerks for instance?

Rev. Mr. VERT.—A scale of wages was given us by the chairman of the local Trades and Labour Council and it shows us that where first-class clerks were receiving $70 in 1904, they were getting $100 in $1910.

Mr. LAKE.—You speak of a first-class clerk? I do not know what that means?

Rev. Mr. VERT.—A man who has charge of a store for example, or who is in a responsible position like that would I suppose be called a first-class clerk and those under him would be called second-class clerks. The pay of second-class clerks has also advanced from $50 a month in 1904, to $80 in 1910. Even wagon boys who got $25 in 1904, get $45 in 1910.

Mr. LAKE.—You can vouch that these statements are true

Rev. Mr. VERT.—I believe they are absolutely accurate.

Mr. HARVEY.—I believe since we took the trouble to make out these different statements and sent them to the department two years ago most of these provincial government salaries have been increased.

Mr. LAKE.—This is a copy of a statement sent by you to the Department of Justice at Ottawa?

Mr. HARVEY.—Yes, sir.

Mr. LAKE.—Then we would get it there if necessary. I would like to get a comparison of the salaries you mentioned just now in the insane asylum and the penitentiary.

Mr. HARVEY.—Yes, sir, I can get it for you.

Rev. Mr. VERT.—As far as superannuation is concerned we are pretty well a unit. We would certainly like to see it come. We are under a number of different forms here at present. Very few are under the old Superannuation Act. A number are under gratuity and a number under retiring allowance, and some are under both.

Mr. LAKE.—In regard to gratuity. It applies only to the penitentiary department?

Rev. Mr. VERT.—Yes. When we were discussing superannuation there arose the question of what would happen to those who were entitled to gratuity after 18 years service, but we had no doubt but that it can be worked out.

Mr. LAKE.—I would like to get the views of your association on the superannuation question. It covers many points.

Rev. Mr. VERT.—We have placed ourselves on record as being very favourable to superannuation—in fact desiring it largely as laid down in the *Civilian*. I think about a year ago and as suggested to the Minister of Finance at that time.

Mr. LAKE.—That was in regard to the Power's Bill?

Rev. Mr. VERT.—Yes, I think so.

Mr. LAKE.—Have you studied it?

Rev. Mr. VERT.—I cannot say that I have studied it, but I think I know something of its general principles.

Mr. LAKE.—And what is it you approve of especially in that Bill?

Rev. Mr. VERT.—We approve of the provisions for the widow and children. We think that is excellent, though we think the age limit might be reduced somewhat.

Mr. LAKE.—What is your opinion in regard to the age limit? I suppose you speak for the association in that respect?

Rev. Mr. VERT.—We think it should be reckoned from the number of years a man has served the government.

Mr. LAKE.—You do not think there should be a definite age at which a man could be called upon to retire to make room for a younger man?

Rev. Mr. VERT.—I do not think I would be prepared to answer that except from my own personal standpoint.

Mr. LAKE.—Well, perhaps it would be valuable to know that?

Rev. Mr. VERT.—Well it seems to me that after a man has arrived at the age of 60, after working here as we do, it is time to get out of harness.

Mr. LAKE.—And in regard to the amount of contribution?

Rev. Mr. VERT.—Frankly, I would very much rather that Mr. Allen would answer these questions on superannuation. I do not exactly feel in a position to do so, and he is more conversant with the subject.

Mr. LAKE.—Very well, we shall be pleased to hear Mr. Allen.

Mr. G. D. ALLEN, officer in charge of the New Westminster distillery for the Inland Revenue department.—It is some months since we discussed superannuation and my recollection is that the 5 per cent proposal met with the approval of the members of the association. I do not remember that the age limit was spoken of at that time, but every one agreed that superannuation would be desirable, not only from the standpoint of the officer but also from the standpoint of efficiency in the service.

Mr. LAKE.—Do you think it a good business proposition?

Mr. ALLEN.—I do.

Mr. LAKE.—From the standpoint of the people of this country?

Mr. ALLEN.—Yes, I do.

Mr. LAKE.—Quite apart from the humanitarian aspect?

Mr. ALLEN.—Yes, quite apart from that. Quite a number of our best men during the past ten years have stepped into other employments. Some were under the old Superannuation Act, and needed considerable inducement to draw them from the service. They had something at stake, but a man under the retiring allowance has something that is an inducement to step out when he is most useful to the service. Two years ago I was offered another position, but because I had a stake in superannuation I decided to stay in. I do not suppose my loss would have been as great as some others, but I had been 23 years in the work and had a fairly good grasp of it. That condition will be more prevalent and more men will step out for private positions rather than stay on with nothing to look forward to. The result is also that when a man has got beyond his usefulness he still has to be retained as no one likes to lay an old man off, but under superannuation he could retire and younger and more efficient men could be put in his place.

Mr. LAKE.—You would suggest that if superannuation were passed it should be made compulsory for all new employees coming in?

Mr. ALLEN.—I should say it should.

Mr. LAKE.—Without hesitation?

Mr. ALLEN.—I have never considered it before, but I rather think it should be That is part of the intention of the Act, to bind a man in a measure to his employment, though under the proposed Act a man's contribution would be returned to him if he severed his connection with the service through no fault of his own.

Mr. TAYLOR spoke as follows, on behalf of the letter carriers.

Honoured Sir,—Having been appointed by our branch of the Federate Association of Letter Carriers to speak to you on what we consider to be an injustice and the alarming way in which the cost of living has increased during the last two years, without the wages of our men getting a corresponding increase. I would point out:

We are paid $1.75 per day for the first three months; $2 per day for the next two years; $2.25 per day for the next two years; $2.75 per day for the rest of our service with $15 per month as a provisional allowance with 5 per cent reduction as a retiring sum. Compare our wages with the street car men they get $80 per month as soon as they are proficient. The firemen of this city had $75 a month and are housed, but owing to the high cost of living they were granted $10 per month more all round.

both captains and firemen, policemen commenced at $75 per month. The painters have had an increase from 40 to 50 cents per hour, and they are about to ask for more. The carpenters have had an increase from $3.50 to $4.25 per day, during the last two years. Both these trades work an 8 hour day.

For instance we as a body of government employees are expected to be neat and tidy in dress, temperate and modest in all our dealings with the public. Our character must be kept beyond reproach both on or off duty and we are entrusted with some very valuable letters during the course of our service, for which we get $1.75 per day. The man who has education and ability enough to use a pick and shovel can have $3 per day in this city and if he chooses he can spend it in the hotel bar-rooms and no one has a word to say about it.

The city council reduced the hours of labour from 9 to 8 and raised the wage from $2.75 to $3 per day.

My grocery bills show a steady increase during the past 18 months. The rents have increased to such an extent that it is impossible for a mail carrier to live within the city limits because one cannot rent a decent house under $25 per month. The following items will show you how everything has increased.

Coal has increased 1 dollar per 100 lbs.

Wood has increased 75 cents per load.

Hair cutting has increased 10 cents.

Pair of shoes half-soled and heeled cost 50 cents more. The fact is that out of $60 per month we are called upon to pay $25 rent, $20 to $25 groceries, and butcher, $3 for light and water, $2. for insurance, and we have $5 to $10 left to keep our wives and families from reverting to the days of Adam and Eve, the fashions of which unfortunately have gone out of date.

The average man does not steal bread unless he is hungry, nor does he steal money if he has enough coming to him to make him feel satisfied and contented. We have a thousand and one temptations to contend with and so must say that if you take into consideration the low pay we get, the honour of the carriers is something we are justly proud of. We have at times some important and valuable matter to deliver and I think it is up to the department to see that we have a wage that will make a man anxious to keep his job, under all circumstances and not give him a paltry sum that would make a Chinaman grumble. It is not sufficient to live properly on and much less it is not enough to remove the temptation from men in the service. We are unsatisfied by the fact that if a man is ill or is hurt accidentally while on duty and he loses time, that time is charged against him and really the wage is small enough without anything being stopped for such reasons as these.

We cannot support an appeal for a pension at the end of any given period as we think that no mail carrier can do this job for many years. What we want is, less hours. We are working an average of nine hours. A better distribution of the work in order to lessen the loads we have to carry and an increase in the pay from $1.75 per day to $80 per month. We especially wish to be paid by the month as this will give us a chance to have sick pay while off duty through sickness or accident, and that we have our increases as allowed by Act of parliament.

We hope through your intervention that our efforts this time will bear fruit and if it does not, rest assured that the carriers of this city thank you heartily for anything you may feel inclined to do for them.

New Westminster. No. 32 Branch.

JOHN GOUGH, letter carrier.—On behalf of the Letter Carriers branch I can only corroborate the statements Mr. Taylor has just made with regard to the costs of living here as compared with the east. I joined the service seven years ago last

September in Stratford, Ontario. I rented a house there and in comparison the rent here is double.

Mr. LAKE.—You came straight from Stratford and started to rent another house here. Can you give us a comparison of the difference?

Mr. GOUGH.—I had a seven-roomed house there with water, gas and electric light on a 66-foot lot with a garden and all I paid was $10 a month. I moved into New Westminster last March and rented a four-roomed house and paid $18 a month. I have the water rates paid, but electric light runs to about $1.30 a month. In regard to the cost of coal also, in the east we paid $6 or $7 a ton for Pennsylvania hard and here I paid $7.50 for a ton of soft coal, and a ton of hard will go further than a ton and a half of soft.

Mr. LAKE.—What did you pay for wood?

Mr. GOUGH.—$5.25 for hardwood and you had to split it yourself.

Mr. LAKE.—Could you compare it with the same wood here?

Mr. GOUGH.—No, there is no hardwood for sale here for fuel; for the same kind of wood you get here you pay $3 there, the same as here, but you can only get it for about three months in the summer and have to pile it to-day for burning. But in coal there is a difference of about $5 in the same amount of burning.

Mr. LAKE.—Is coal cheaper to burn or wood?

Mr. GOUGH.—I cannot say as I have only recently come here.

Mr. LAKE.—What is your view of the comparative value of groceries?

Mr. GOUGH.—In Ontario my grocery bill ran on an average from $7.50 to $8 a month, but here it is from $18 to $20 without reckoning the butcher bill. I have the butcher to pay and meat is an average of about 4 cents a pound dearer here.

Mr. LAKE.—Are you living on the same scale as in Ontario?

Mr. GOUGH.—Well, not as good. Down there if you wanted a chicken for Sunday you could get a good one for 60 to 80 cents, but here you pay $2 or $2.25. It is the same in fruit. Take apples, here you pay 25 cents for 3 pounds, and in Ontario you could buy a whole bag for 60 cents and sometimes they would give them away. And strawberries, where you pay 25 cents for two boxes here, you could get two boxes for ten cents there. It is the same with raspberries, currants and other small fruit. I have been married for nine years and know what housekeeping is. I could live twice as good in Ontario for the wages I got there. I was getting $2.50 when I left there and I am only now getting $2.50 with the western allowance which makes it $3, but I could live far better there on $2.25 than I can live here on $3.

Speaking of superannuation, I believe it was put through that they expect a mail carrier to walk for 35 years before they put him off with a pension. I think that an injustice because a man working in an office has more chance of putting in 35 or 40 years than a man walking about the streets. I think for the mail carriers there should be a rule that a man who has been 25 years in the service or has reached the age of 60 years should be allowed to retire with a pension.

Mr. J. W. HARVEY, Penitentiary Accountant.—I wish to say a few words on behalf of the older men on the staff on the subject of superannuation. We wish to know if we are entitled to our gratuity in case superannuation passes. Take my own case. I have been eighteen years in the service, but suppose superannuation passes and I wish to take up the amount of gratuity due me. I am afraid I would lose it. It might be used to allow us to make up arrears on superannuation payments. It would take back to 1900 to pay arrears on my salary to make up superannuation.

Mr. LAKE.—You wish to say that if you came under the Act, the fact that you have already paid for gratuities should be taken into consideration.

Mr. HARVEY.—Yes. There are a number of men who if their widows and children could be taken into consideration in event of death would like to provide for them

by going into superannuation and giving up their gratuity. It is a question we would like looked into when the time comes.

Mr. E. W. MONEY, Junior Despatching Clerk in the Post Office.—My salary is $56.65 a month. You get that on appointment and after that if you pass the examination, you get an additional $50 a year. We work nine hours a day. We also work every third Sunday each taking turns and we get nothing for that, and we have to work till 11 o'clock at night. By the regulations we are allowed to have all legal holidays, but in my position on the despatch it is impossible to take legal holidays, because if we did the mails would not go out.

Mr. LAKE.—Are mails distributed on legal holidays?

Mr. MONEY.—Yes, the same as other days.

Mr. LAKE.—Any distribution in the office?

Mr. MONEY.—Yes, the wickets are open one hour and there is one distribution by carrier, but those who work on despatch are tied hand and foot. You have to send the mail out.

Mr. LAKE.—Have you never been able to get your regular holidays?

Mr. MONEY.—No. I have been in my own case, only on six months.

Mr. LAKE.—Are you speaking for your fellow clerks?

Mr. MONEY.—Yes I am. There is another matter I would like to bring to your attention. A temporary man was appointed who gets $2.50 a day and does not have to work on Sundays.

Mr. LAKE.—How long ago was he appointed?

Mr. MONEY.—Now about six weeks ago.

Mr. LAKE.—And he works the same as the rest six days in the week?

Mr. MONEY.—Yes, his hours are the same. He works six days in the week. It is no use my dilating on the costs of living, but from what you have heard you can see that what we are saying is correct. I could not live on my salary in town. I live on the other side of the river, and am thankful I do, for if I lived in town and paid rent I would starve. Our increase is only $50 a year for the first three years, and I am not getting a living wage.

Mr. N. A. MATHESON, Sub-Collector of Customs at White Rock, B.C.—There is a matter I have been asked to bring to your attention. It is the question of Customs overtime. Our service pays for overtime 40 cents an hour.

Mr. LAKE.—What do you mean by overtime?

Mr. MATHESON.—That is work beyond the regular hours of service, after 6 p.m. and previous to 8 a.m. Following the regular hours of service you are allowed if you work ten minutes of one hour 40 cents and if you work the whole of the two hours you are allowed 80 cents. That is the maximum allowed for all night's work. If you worked the balance of the night you would be allowed no more.

Mr. LAKE.—If you worked all through the night you would be allowed only 80 cents?

Mr. MATHESON.—Yes, or should you have to work all one night and on the following night, you could charge $1.60 making 80 cents for each night, though for the second night you could not charge anything for any work you did. The amounts you may charge are calculated monthly and you are held down to 80 cents a night except for Sundays when you are allowed to charge your regular service of 80 cents. I wish to make a comparison with the overtime paid the American Customs officers in their service. We are held down to 80 cents a night for the month, but in the American service if an officer works after six in the evening he is allowed $3.50 for his services up till twelve o'clock, and if he happens to work after midnight he is allowed $7 for his services. If a man was to go to work half-an-hour before twelve

and worked a quarter of an hour after he would earn $7. He is not held down to any one day, but is allowed to collect the same rate day after day.

Mr. LAKE.—What are your regular hours for going on and coming off duty?

Mr. MATHESON.—Our regular hours of duty are from eight to six, but after these hours we have the Great Northern trains coming and going at all hours of the night, and it requires the attention of an officer to clear and inspect these trains.

Mr. LAKE.—You are supposed to be there whenever a train comes in?

Mr. MATHESON.—Yes. The department has a form we are supposed to fill showing the arrival and departure of each train. It has to be certified by the transportation agent of the company. In our case we have three trains going through after hours and besides we frequently have freight trains that come and go in the night as well. The Americans do not hold their officers down to any specific hour. They can work one day and earn $7 inside the night of the same, whereas in our department we can only earn 80 cents a day.

Mr. LAKE.—You are not allowed to make more than $24 a month overtime?

Mr. MATHESON.—Yes, that is only four weekly services. Sunday service is different. The weekday service is paid by the government, and our Sunday service is collected from the transportation company by our department.

Mr. LAKE.—And Sunday overtime?

Mr. MATHESON.—It is on the same basis as weekday, only we are allowed to charge 40 cents an hour for every hour actually worked in addition to the regular salary.

Mr. LAKE.—That is not counted under the limitation to 80 cents a night?

Mr. MATHESON.—No. In our case the Government pays all overtime except Sundays, but on the American side the parties requiring the overtime pay for it.

Mr. LAKE.—You are quite sure of that?

Mr. MATHESON.—Yes, I got it from their deputy collector at Blaine.

Mr. LAKE.—And is that amount collected from the railway at the point of entry?

Mr. MATHESON.—No. The statement is sent in by the agent each month to headquarters, and the Customs men collect it presumably at Port Townsend.

Mr. LAKE.—Do you know whether that applies to the steamship service also?

Mr. MATHESON.—Yes. To the steamship as well as the train service.

Mr. ALLEN, Inland Revenue Department.—Pardon me for speaking again, but there is one little matter I wish to touch upon. It is in regard to the provisional allowance and the way it is handled at the present time. At a meeting of our association it was suggested that the amount be based on a percentage of the salary paid. Suppose there was a percentage established. On the start it might mean a small amount to the lower salaried men, but as it stands now, the maximum is 50 cents a day to the lowest salaried men, and as you go up the scale it is reduced. I am speaking now of those in receipt of larger salaries of about $100. They get $100 whereas the man newly appointed gets $150.

Mr. LAKE.—At what salary does provisional allowance cease in the Inland Revenue Department?

Mr. ALLEN.—At $2,500. The way the Bill reads is to provide provisional allowance for all officers receiving $2,500 a year or less. We consider that as provisional allowance was given to compensate for the difference in the cost of living in the west, it should be on a percentage basis. We have to live on a certain scale; we cannot help it, and it costs me correspondingly more to live than a man in my position in the east. In fact I was sent here, from a similar position in the east two years ago, and I figure I should be given an allowance on a percentage basis and with a minimum amount instead of a maximum amount.

Mr. LAKE.—What percentage do you suggest?

Mr. ALLEN.—The association did not feel inclined to suggest that. We felt the department was in a better position to figure out the actual difference than we were.

Mr. LAKE.—Do you consider that provisional allowance should be given from the lowest to the highest, to all officials?

Mr. ALLEN.—Yes, because the idea was that provisional allowance should not cease until a man got a salary that would leave him a surplus. No salary in the Inland Revenue Department does that. Our highest salary is $3,000. If a provisional allowance were arranged on the present basis our smaller salaried men would be drawing 15 per cent, whereas I would be drawing 5 per cent. I think the percentage basis would be the fairer way.

Mr. HARVEY, Penitentiary Accountant.—With regard to the penitentiary branch I would like to state that from the warden down our salaries are not in proportion to what other men are getting in this country, and if a living allowance is considered, our salaries should also be increased and a living allowance given besides.

Mr. LAKE.—I understand the provisional allowance is an allowance given to officials in the west over and above what the same officials get in the east, and I presume the same thing would apply to penitentiaries.

Mr. HARVEY.—A man getting $56.33 a month is not getting the same salary as other men in British Columbia. I understand that from one end of Canada to the other penitentiary guards get this salary, but in the west a man ought to get an additional allowance.

Mr. LAKE.—By way of comparison can you tell me are there many constables employed by the city of New Westminster, and what do they get?

Mr. HARVEY.—Yes, I have not it in hand now, but can give it to you.

Mr. LAKE.—I wish you would.

Mr. HARVEY.—I will get the salaries paid to the asylum officials if possible, and the salaries paid to constables here and forward them to Ottawa.

The Delegation withdrew.

The Commission adjourned.

Held at Calgary, Alberta, in the office of the mail clerk service inspector's office, on Monday the 12th day of August, 1912, before Mr. R. S. Lake, Public Service Commissioner.

JOHN EDGAR JOHNSON, sworn, says:

I am a railway mail clerk for the Calgary district; salary $1,300; received an increase last month of $50; age forty-two years.

We have an association here which is of such a short duration, that it is hardly in working order, and our president is unable to come.

I came to Calgary from the London district a year ago last May. I have been here just a year and four months.

Q. Were you a mail clerk in the London district. A. Yes, I was transferred here.

Q. Holding precisely the position here as you did down there? Yes, exactly. Of course, I may say that I am in perhaps a better position to give you points on the price of living than those who have lived here for some time, or they might be able to give you better views of the service as it is and has been in this district, and I have prepared a schedule of the prices of articles for living in Calgary at the present time, in 1912, and in London, Ontario in 1910. Those prices are taken, the London ones from a memorandum book of my wife which she used to keep there of all our expenses, and they are to the best of my knowledge and belief absolutely correct, and the ones here are in the same way, and they are prices taken from the daily market reports.

Q. Have you not got the prices which you are actually paying to your local tradesmen here? A. Yes, these are the actual prices which we are paying at the present time.

Q. But you said just now it was taken from the market report? A. Yes, but those are based—of course, there are certain articles that will go up a few cents from day to day, so that I have averaged these from the market reports and from our own expense accounts just as they are coming to us. At one time of the year, eggs and butter would be a good deal higher than in winter time here—the price is almost prohibitory to the ordinary man, so that I have put them just as they are at the present time.

Q. I understand the London prices which you have here are from your actual accounts? A. Yes.

Q. These are the prices which you give to your local dealers in London? A. Yes, in 1910.

Q. And the figures you have given for Calgary for 1912, they are the prices you are paying to-day? A. Yes.

Q. That is from your actual accounts? A. Yes, actual accounts. There are some things that vary. I have not put down the different articles. Take butter for instance. It went up as high as 50 cents and 55 cents a pound in the winter.

Q. How have you entered your butter? A. Just as it is at the present moment, that is from the daily market report.

Q. Is that exactly what you are paying? A. Yes.

Q. I want your own experience and not market reports that anybody can get? A. That is my own experience. Why I mentioned market reports is this; these prices vary at different times of the year. I might put down 55 cents for winter and 35 cents a pound at the present time. I suppose we are paying less for butter now than we do at any time of the year. Now there are some things here, you will notice clothing —shoes, I have put it at twenty per cent increase at Calgary prices as to what they were in London. That, of course, is from my ordinary observation from buying clothes here and in London, and I consider we are paying twenty per cent more for clothing and shoes that I had to when in London.

Q. I see you have furniture 25 p.c. higher on this statement? A. Yes, and house rents, I have put a six roomed house at $45.

Q. Is that the house you are actually living in at the present moment? A. I was speaking to my wife just before coming up, and she said the house next door which was identically the same as ours was rented at $50 a month, so I have made a little difference, I am positive in saying we could get the same house as ours in London for $18 a month.

Q. Did you own your own house in London? A. Yes, my brother-in-law is renting it at $18 per month.

Q. Same sized house? A. One room more and hot water heating, and this house where I live simply has hot air.

Q. So that it is a superior house to what you are occupying at the present time? A. Yes.

Mr. DAVIDSON.—Does it take exactly the same time to get to your work from your house as it did in London? A. Yes, about the same time and it is the same distance away as my house in London.

Mr. LAKE.—Have you anything else to say? A. Yes, now I have made a statement of the actual amounts I paid to the grocer and the butcher in London, and the actual amounts paid to the grocer and butcher here in the fall of last year.

Q. Is this a statement of the cheques that you issued? A. Yes, which I issued to my grocer and butcher in Calgary and in London in the fall of last year, but I paid cash here. My wife was in hospital for some time and afterwards she just simply took things easily so that I paid cash for everything we got.

Q. And since that you have been paying how? A. By cheque.

Q. So that the comparison of the cheques you paid for the same months of the year in London in 1910 with the comparison of the cheques you paid in Calgary in 1912, appear on this statement? A. Yes, on this statement and I vertify those from my cheque book, and they are absolutely correct.

Q. This statement shows that from your personal experience with the sums of money which you have paid for groceries and meat in London for the months of December, 1910, and January, February, March and April, of 1911, amounted in all to $101.59? A. Yes.

Q. While for the months of December, 1911, and January, February March and April of 1912, while living in Calgary, you paid a total amount of $160.85 for groceries and meat? A. Yes.

Q. Was your family exactly the same size in both cases? A. Of course I have two boys, they are growing up, and there should not be that difference. Another thing I neglected to put in there, I had no vegetable garden, we bought directly from the grocer, and here we have a vegetable garden, so that this summer we have bought very little from the grocer.

Q. In London you bought all your vegetables and here in Calgary, you have been able to raise some of them? A. Yes, you notice tomatoes. Last week my wife bought some, and she paid 20 cents a pound—well, they are a luxury at that rate. In London, I suppose, in the month of March we are getting imported tomatoes for 15 cents or 20 cents per lb.

Q. When you came west, did you receive any increase to your salary? A. Well, a provisional allowance; when I came here I was given $120 a year—a provisional allowance in August.

Q. Is that $120 more than what you were receiving in the east? A. Yes, and in August of last year I received an increase in salary on account of my case examination, $50 a year, that is the regulation increase.

Q. Would you have received the same increase, had you been in the east? A. Yes I might say when I received that $50 increase, my provisional allowance was immediately cut down to $70 a year.

Q. What was the reason for that? A. I had reached the maximum salary, the old maximum salary, which was $1,200 per annum.

Q. For which a provisional allowance of $120 was given? A. Yes.

Q. So that although you have passed your examination entitling you to $50 a year, as a matter of fact you did not get that $50? A. No, I received it but lost it on my provisional allowance.

Q. And next year when you get your regular increase again, then you should be receiving an additional fifty dollars again that will be deducted from you out of your provisional allowance? A. Yes.

Q. The net result is that although you have been promoted from the $1,200 scale on account of your having passed the special examination you will not receive any increase in salary until the third year? A. That's right; it is a case of robbing Peter to pay Paul; putting it in one pocket and taking it out of the other.

Q. The position as I understand it is; that the clerk that is appointed at $800 per year gets a special provisional allowance for work in the west of $120 per year? A. Yes, up to $500 or less $120 per year.

Q. After he passes the $800 mark he gets a special allowance of ten per cent of his salary in lieu of the $120? A. Yes.

Q. After he reaches $1,200 the provisional allowance practically ceases? A. Yes, it decreases until it does not exist.

Q. What other allowances do you get? A. None whatever; of course there is our mileage, we get half a cent a mile between eight in the morning and eight in the evening.

Q. For every mile which you travel? A. Yes, and a cent a mile from eight in the evening until eight in the morning. Q. Is that the rate you received in the east? A. The same exactly, yes.

Q. So that your move from London to Calgary has made it much more difficult for you to live on your salary? A. It certainly has; my mileage runs here are longer, and I make considerable more mileage than I did in the east, but it is altogether eaten up by the increased expense of living.

Q. The only improvement is in the amount of mileage fees? A. Yes.

Q. Even with that increase do you find that you are to-day in as good a financial conditions as you were? A. No, I am not; I can safely say my finances to-day are not as good as they were in the east.

Q. Have you anything you would like to say about the work? A. Yes, I have made a few notes, one of our greatest increases in living in the west is our travelling expenses; in my own London district I hardly know of a run where the clerks are away from home at night; there are very few of the runs where the men have got to buy more than three meals a week from home, while on our runs here; I am on the shortest run on the main line myself; Moosejaw to Calgary, the shortest time I am away from home we have two meals on the train going east and we pay fifty cents for our bed for about four hours in Moosejaw. We get a lunch there which is a short order lunch, the lightest you can get is thirty-five cents; what I usually take is corn [illegible] and some toast and a glass of milk, or something like that, and it costs thirty-five cents, and a special order costs from forty-five to fifty cents, and on the trip out we have two meals on the train and sometimes three; it depends on how you are feeling, but the expenses on the trip travelling in the west are altogether higher than the expenses of an ordinary run in the east. Some time ago, I have forgotten who brought the matter up, it was suggested to us that we ask a rate on the dining cars of the C.P.R. of twenty-five cents a meal. I may say that rule has been in existence as long as I have been on the road; on the Grand Trunk and other roads. The mail clerk when he could find time could go to the diner and get his meal for twenty-five cents; I have done it on the Niagara Falls run, yes, so that that is not a gift by the government, but is because we are considered by the railway companies as railroad men that we get that rate.

Q. You get that here? A. Yes, and in the east; another thing about that dining car rate is from my personal experience here it is absolutely impossible for a man to leave his car and go back to the diner and get his dinner or his supper, whichever it may be, without neglecting his work. That is my own personal observation and I am sure it will be backed up by many of the clerks.

Q. How do you manage it? A. We have given up the dining car altogether; I don't know of a clerk who has been in a dining car for some months.

Q. Simply because you could not do it and carry on your work? A. Yes, simply because we could not do it and carry on the work satisfactorily.

Q. That is on account of the great increase in the work? A. Yes, I have noticed a great increase in the work.

Q. Do you find it difficult to get through your work? A. Yes, I have said to Mr. Davidson, the inspector here; work in the west here is nothing but slavery.

Q. A continual grind all the time? A. Yes. I have a statement here of my last trip; it is as follows: we left here about four hours late and we got into Moosejaw three hours and twenty minutes late; that was at 7.40 in the morning. We had to be on duty at ten o'clock at the post office and in the meantime had to get a lunch before leaving. We got into Calgary on the return trip the next morning at 5.30. On that round trip neither my assistant nor myself had more than one and one half hours' sleep in the round trip of two nights and a full day.

Q. And altogether you only had that much sleep? A. Yes, and I will say that in that time I don't consider—leaving the sleep out of the question—that we had two hours' rest in any shape or form, not even to sit on the chair, in fact the chair was piled at the baggage end of the car, so that the work is simply up to date slavery at the present time.

Q. Is there any way of remedying that that you can see? A. I can't see it; it is worse I think than before; the country is growing so rapidly and it is getting worse.

Q. Would more cars do it? A. More trains on the different lines, of course, would remedy it in a way; more branches opening up and more post offices put on.

Q. Would additional clerks solve the difficulty at all? A. Yes, if we had a proper car; at the present time take the ordinary crew of three mail clerks, they take up all the room we have in the cars doing their work.

Q. So that you could not really accommodate an additional clerk at the present time in the present car? A. No, the car should be enlarged in some way.

Q. Is there anything else that you would like to say? A. In this district, as in others all over Canada, I am sure it is not confined to this district alone, the system of fining clerks for irregularities. To my mind that is not conducive to good work; I look at it in this way: the average clerk if he feels that he is doing his duty and he makes a mistake and is fined for that mistake, in 99 cases out of 100, for a while at least, he will not do as good work and he will try and average up on that fine. I have looked into this question in a way and I find that the big railroad companies have a system of merit and demerit marks. The trainmen will perhaps get black marks for some offences. Those black marks may be wiped out by him giving better service or some extra service in some way or other, and I think in the Railway Mail Service if something of that way were organized or instituted, it would be better.

Q. What are the mail clerks usually fined for and what is usually the amount of the fine? A. A day's pay for carelessness or disobedience of instructions. Of course, there are lots of cases I admit where the clerk should be fined or something done to them to bring them to the straight and narrow way.

Q. But you think the system is wrong to deduct the pay, do you? A. Yes, the average clerk may feel that he is doing his work carefully and well, and if he makes a mistake even through a little slight carelessness and is fined for it in many cases, he feels, "I will get back at them."

Q. Don't you find that the very long hours you have just spoken of are conducive to making a man make mistakes? A. I have had one or two cases of being overtired and making mistakes, but Mr. Davidson, the inspector here, has been very lenient. The cars at the present time has outlived their usefulness and should be improved upon; they might have been practical cars ten or fifteen years ago, but at the present time they are not.

Q. Are you speaking of the ones running out of Calgary? A. The large cars on the main line, the standard cars.

Q. Are the Railroad Company building the same car? A. Yes, but I may say the letter case and the rack for sorting the mail are satisfactory; they cannot be improved on at the present time and they are satisfactory, but there is absolutely no provision made for storing of registered matter or taking care of the registered matter en route. Our cases are built in such a shape we have to use them for both ordinary letters and registered letters and so on—those are all the matters I wish to bring to your attention, for which I thank you.

Witness retired.

ALBERT ADDISON LAKE, sworn, testified.

Examined by Mr. Lake:

Q. You are a railway mail clerk? A. Yes.

Q. How old are you? A. 28 years old.

Q. What is your salary? A. Salary $700 a year and in addition to that I get the provisional allowance of $120 per annum.

Q. You have passed the examinations and are on the permanent list, I suppose? A. Yes, for the last five years.

Q. What salary did you come in at? A. At $400.

Q. Have you had a regular annual increase since then? A. I think I missed one because I was out of the service for a year and I missed one increase of $50.

Q. Now what have you got to say? A. In the first place, I say my salary is not sufficient at $700 a year; I have a few notes which I have made which I would like to bring to your attention. About five years ago I was appointed to the railway mail service at a salary of $400 a year; I have been drawing a regular increase of $50 a year every year since, except the first year when I received a $100 increase and every year since then $50 with the exception of the one year I mentioned when I was out of the service. I think it was last year there was an amendment to the Act that clerks starting in the service should commence at a salary of $500 a year and an additional $120 provisional allowance, so that the clerks starting in the past year have more than $100 a year more than when I started.

Q. You have no objection to that have you? A. No, but as far as I am concerned I think my salary should be increased $100 a year to bring me up to the same standard.

Q. If it was necessary to give them an additional increase you think it should be fully as necessary to give you one, is that it? A. Yes, more so, because I have had more experience. In addition to that, the Act provides that the increases which used to be $50 be made $100 per year until the salary of $800 a year is reached, after which time the increase is dropped back to the old sum of $50 a year. We old clerks take part in that, I am glad to say. I think, and I believe that a man should have that $100 increase every year until the maximum salary is reached. It should not be dropped because by the time I have been in the service long enough to receive $800 a year; take the average man who is usually married and in all probability he has a wife and family to keep, I think instead of losing that $50 a year he should have another $50 added to it. He is getting old and has a family to keep and more expenses increasing daily, but his salary drops by this scheme. I don't think that a man, after he has been in the service for 17 or twenty years, I think 17 years is the time he gets the maximum salary, I do not think that $1,400 is enough for that man per year; 17 years with one company is a long time to work and it is not a business where he can draw a steady dividend, and I think he earns every cent he gets, except under the retirement fund.

Q. Are you under the retirement fund? A. Yes, I would suggest that the maximum salary be increased to $1,800 a year to enable him and his family to save at least a few cents until a rainy day.

Q. How would you compare that suggestion with the suggestion that there should be a superannuation fund? A. I know very little about that fund but if it means any more money for a man I would rather like it.

Q. Instead of giving your five per cent to the retirement fund it would go to providing an allowance when you attain a certain age which would be sufficient to provide for you after you have passed years working. A. That depends I suppose on the age; what age would it be?

Q. The age of 60 or 65 has been mentioned? A. That is the usual age.

Q. Have you anything else to say? A. Mr. Johnson was talking about the mileage not being sufficient and gave one example; I have another one, for instance. Take a trip to Calgary to Edmonton; you are away two days and there is the cost of two meals on the train and two meals in Edmonton and one bed in Edmonton, at a total cost of $2.50. The total mileage for this round trip is $1.92.

Q. How many hours are you working? A. About seven and a half or eight hours a day. Eight hours going up and seven and a half going down.

Q. Anything else? A. I think the government ought to afford to give us extra men for holidays and sickness. The Act says, we are entitled to 3 weeks holiday every

year providing we have behaved properly in the discharge of our duties. At the present time we have to double to get those holidays. We have to go out one day sooner and that gives us one day less in town, therefore we take one man off our crew and let that man go on holidays and in the meantime we are getting one day less lay off in town. Under these circumstances we are not getting our holidays at all; we are getting our time off which we have been doubling and when we have earned that lay off to my mind it is not strictly speaking holidays.

Q. What are your actual hours of work? A. Practically about 15 hours a day. Say, leaving here and arriving in Moosejaw, a run of about 14 hours, one practically works all the time; we lay off in Moosejaw for five or six hours if the train is run on time and we come back, and the run back is about 16 hours, so that the round trip is 30 hours.

Q. And in addition to that you have to be on duty an hour before the train leaves? A. Yes.

Q. At both ends? A. Yes, and about an hour at each end after the train comes in which makes a total of 33 hours about.

Q. This means that there is 33 hours work in how many days? A. In practically five days, but the work is continuous for every night and day for that time you must remember.

Q. Have you anything more to say? A. In regard to transportation during holidays; at the present time we can't get a pass to go to any place on our holiday. We used to get a pass years ago from our superintendent to travel and take our holidays on the coast, but at the present time I understand we can't get a pass, and the most we can get is a pass on our own division only. I would request that during our holidays we could get a pass to travel for the three weeks during the year, and that some arrangements be made to do that.

Q. Have you anything else to say? A. Yes, that is as to positions that are open, such a post office inspectors or assistant post office inspectors or any position that is better than we have.

Q. Have you any position to which you aspire at the present moment? A. Yes, sir. I have.

Q. What is that? A. I have so many.

Q. What does the average mail clerk look forward to that he could possibly get if he comes to it at all? A. The mail clerk does not get anything unless he has a political pull.

Q. What position does his training fit him for or what might he get with proper promotion, postmastership of sub-offices or assistant post office inspector or superintendent of Railway Mail Service? A. There are no positions in the Railway Mail Service except mail clerk and Railway Mail Superintendent.

Q. Is that right? A. That is all.

Q. There isn't much scope for ambition then? A. No, the minute you come into the service ambition is lost.

Witness retired.

JOHN EDGAR JOHNSON, recalled.

Examined by Mr. Lake:

Q. How long have you been in the service? A. 23 years.

Q. What is the average length of time the average mail clerk is able to remain in the service? A. That is a hard question to answer, sir, I have known clerks who are younger than myself who have absolutely collapsed through stress of work; there are three men in the London, Ontario District whom I knew personally and who simply broke up.

Q. About what age? A. They would be perhaps from 40, 45 to 48.

Q. Do you personally know any man who was able to stay for more than 25 years in the service? A. Yes, I know of one man in the eastern district who was 38 years on the road; he was quite an active man but he was an exceptionally fine specimen of a man.

Q. Can you give me any other instances of men who are able to continue in the service anything like that length of time? A. Very few. I think this man O'Marra of the London District is practically the only one I know of.

Q. Do you know of any others of 30 years of service? A. There are very few who reach the superannuation age of 60 and who are any good for anything at all afterwards. I am under the Superannuation Act and I have seen the thing so often that men who would be superannuated would die off quickly, not in one case but in several cases.

Q. Then you think the work actually plays you out physically? A. Yes, the work is simply a physical hardship, there is not any getting over it. We come in off our runs absolutely tired out body and soul.

Q. Will you be in favour of giving a large percentage of your superannuation fund to your wife on account of your death before you are entitled to it? A. Yes, in addition to the superannuation under which I am working I have a Civil Service insurance of one thousand dollars, but there is one hardship about that that a man under a Superannuation Act has to pay one per cent more towards the Superannuation Act to get that insurance and I could never understand that; I have written to the Superintendent of Insurance about it but I got no satisfactory reply. Clerks will not take it up on that account; there are clerks that live to be 60 years of age in the Railway Mail Service and draw superannuation afterwards.

Q. Do you think that it would keep the men in the service better? A. Yes, I think superannuation or pension would keep men in the service better.

Q. Is it a service that is changing very much; do you think that railway mail clerks leave very often? A. Mr. Davidson, the inspector here, can give you that better than I can; clerks come in for a few months and they find work is hard and find that they can get better salaries in mercantile offices.

Q. Think it is exceptionally hard work? A. Yes.

Q. How long do you think it takes a man to become efficient in the work? A. That depends on the man; some clerks become good clerks in two years and others it takes several years to become efficient.

Q. Have you any suggestions you would like to make that you think would improve the service generally and help to keep the best men in it and make it more sought after? A. Well, until the salaries are raised to such a rate that the Post Office Department or the railway mail service can compete with the ordinary business houses we cannot expect to get a first-class lot of new clerks.

Q. As a business proposition if you were able to command the best men you could find do you think you could actually do with fewer clerks? A. I doubt it here under the conditions in the west; I doubt it very much. If I was not under the Superannuation Act and I was offered within three or four hundred dollars of my present salary I would quit in a minute and I will doubt about giving the Department notice either.

Q. The superannuation is keeping the men in it? A. Yes, I think it does. But if I could improve myself in any other commercial line I would leave the service immediately because the chances are better outside.

Witness retired.

The Commission adjourned.

12th of August, 1912

8.30 p.m.

Deputation of the Letter Carriers' Association waited upon Mr. Lake.

E. J. FUSSMIDGE.—I think there should be an age limit to be pensioned off on, and that it should be 60 years of age. The letter carrier is not much after that age and cannot do any other work.

Q. Then you will be all in favour of a superannuation system if it were a satisfactory one? A. That is if they don't want too much of a percentage of our money stopped.

Q. By way of suggestion, if they still continue to stop 5 per cent as they do for the retirement instead of a superannuation fund, which would you choose? A. We don't know what the pension would really be, and, supposing we were in the service for 20 or 25 years and they were stopping 5 per cent of our money we would have a considerable sum to draw when we quit, combined interest is going, and after about 15 years that interest doubles; we were all talking it over and we didn't come to any settlement about it and I wouldn't like to do anything until we spoke to you. At our Federation Meeting I wasn't instructed to say anything like that because we never expected you here until this noon, so that we haven't had a chance to talk it over with the other letter carriers at all.

Q. I don't want the expression of a definite opinion on the subject unless the details of the Bill proposed were before you, but I would like to know if a superannuation system would meet with your approval? A. I think the way we are going on now would be the best.

Q. That is the retirement system? A. Yes, and we would get our money when we quit; we know it is ours then.

Q. Is that a statement of the general feeling? A. I think that is the consensus of feeling, the retirement fund. A man might be pensioned off at 60 and only live a year and he would lose all that money that was paid in.

Q. Have you seen the Power's Bill, introduced into the Senate? A. No, sir.

Q. Have you anything to say as to the cost of living? A. I would like to say at the present time the letter carriers are not receiving a large enough salary; a man starts at $2 a day and after the first month he receives $2.25 and after that he has to wait two years before he gets any additional increase; that is not sufficient at all for a man to live on, that only amounts to fifty-five or sixty dollars a month to start in at including the provisional allowance, making it about sixty-three or sixty-four dollars a month; of course that rises up to $2.75 a day and $15 a month allowance, that is the limit.

Q. That is after how many years' service? A. After six years' service on the permanent staff.

Q. Give us your reason for saying it is not sufficient? A. My reason for saying that is because living has gone up so high in the west. Seven years ago I was single and I could get board and lodging for four dollars a week and now you can't get board and lodging under thirty dollars a month.

Q. Is there any single man here this evening? A. Yes, here is Mr. Goldberg.

SOLOMON GOLDBERG says.

Examined by Mr. Lake:

Q. What are you paying for your board? A. $28 a month but I am living with my mother.

E. J. FUSSMIDGE says,

Examined by Mr. Lake:

Q. Well, go on Mr. Fussmidge? A. I am a married man and out of my money I have to pay $30 a month rent for a five room cottage and then my bill for fuel and wood amounts to, taking it summer and winter, eight dollars a month.

Q. How far from the post office is your property? A. About a mile and a half; it is out at Sunnyside. I have to walk in every morning to get here by six o'clock and it takes me half an hour to make it and you cannot get anything around here cheaper than that.

Q. When did you first commence renting a house? A. 27th of February this year.

Q. So that you cannot make comparisons to what it was seven years ago? A. Yes, it was cheaper then.

HERBERT RACKHAM says,

I was married four years ago and I was renting a four room cottage at $15 a month.

Q. How far from the post office? A. Just inside the mile circle. And to-day I am living two miles from the post office and I pay $30 a month for a six room house, of course I have three children and that makes a difference so I have to have a larger house.

E. J. FUSSMIDGE says,

You take $30 a month rent and $8 for fuel and the electric light bills $2 and that makes $40 a month and the water bill is $3 a quarter over that and then of course I have to insure myself and wife; that is another two dollars and as to the rest I have to buy food and clothing for ourselves; of course, we cannot save anything from that amount; that comes to about $45 a month; I am one of the highest grade men here because I am now getting $72 a month.

Q. How long have you been in the service? A. Five and a quarter years; I have been here since the delivery started; that is all I have to keep myself and wife on, and then of course we can't have any children on that money because we never have the money to start in to have any children; it costs one hundred dollars to start in at to have children and I was never able to save that much to start in at so that you can see a letter carrier at the top wage is not getting enough salary and we don't get any luxuries out of that sum.

ROBERT POULTNEY says,

I have been married ten months and it is an awful struggle to get through.

Q. How long have you been in the service? A. One and a half years roughly speaking.

Q. What salary do you get? A. Two dollars a day and fifteen dollars monthly allowance.

HERBERT RACKHAM says,

Pick and shovel men in the City of Calgary to-day get thirty cents an hour.

Q. Does he work ten hours a day? A. Eight hours a day and bricklayer's labourers get 37½ cents an hour and boilermaker's helpers get 32½ cents an hour for a ten hour day.

FRED. G. BUSHEL says,

The city police were originally receiving a salary of $75 a month and they requested a raise in their salary on account of the extreme cost of living here and the

City Commission granted them a raise to $80 a month to begin with leading up to $100 a month.

Q. What hours do they work? A. An eight hour day.

Q. In case of sickness do they still receive their time? A. Yes, sir.

Q. You know that? A. Yes, sir, but we don't receive sick pay in case of sickness.

HERBERT RACKHAM says,

Suffering from infectious diseases I think we are entitled to pay.

Q. What hours do you work? A. We work eight hours and some times ten hours.

SOLOMON GOLDBERG says,

It is supposed to be an eight hour day but it is very hard to get the work in in an eight hour day; some days you only work seven and a half and some nine and Monday you will work full two hours more than on another day and you work according to how heavy the mail is but we are supposed to work eight hours a day.

Q. Have you anything to say about the increased cost of rent, anything definite to say in regard to the increased amount of your bills for eatables, groceries and meats?

HERBERT RACKHAM says,

Beef in Calgary used to be twelve and a half cents a pound five years ago; now it is 18 to 20 cents a pound and mutton is away up to 24 cents a pound and that used to be 18 cents a pound.

Q. Do you find the same increase in groceries? A. Yes, sugar has gone up the last year to $1.25 for 20 lb. sack and it used to be 85 cents a year ago; butter is now 35 cents and you could get it for 25 cents winter and summer too, and it is now 40 and 45 cents a lb. in the hard winter.

Q. With this great increase in the cost of rents and living and so on how do you manage to make both ends meet? A. I only got forty-five before this last raise to fifty I did not get a big wage then as I do now and I find it is as much trouble to-day as it was then and that extra fifty cents makes it about level as to what I was getting at that time and I do not think I am any better off to-day; of course my family has increased but I am on the same footing as I was at the commencement and I am a post officer carrier now and I do not think I am any better off.

Q. Do you take as many roasts of beef as you used to? A. Well, I live just as good, I guess.

T. J. FUSSMIDGE says,

Q. How do you manage? A. I have to rent two rooms at $15 a month; that pays off my rent but of course that house is not really my own you see, I can't really do as I should like to do; if I could afford to live as I should do.

Q. Is that a common thing among the letter carriers? A. Yes, sir, very common.

Q. Do they let their spare rooms? A. Yes, sir; when the men start in they have to live in shacks; they can't afford to pay the rent; which is unhealthy for them and a letter carrier should be able to live in a house and keep his health in order to do his work.

SOLOMON GOLDBERG says,

I think there are at least eight or ten carriers living in shacks at the present time.

Q. Single room shacks? A. I wouldn't say that.

E. J. FUSSMIDGE says.

I know one man living in a one room shack and he has three children, and he is trying to cut down his expenses to try and pay so much down on the lot and build for himself, but he has to live that way in order to do that; he has to stint himself and live on bread and butter all the time; he can't go in for two or three roasts a week.

Mr. LAKE.—Anything else along those same lines?

FRED. G. BUSHILL says. F

I don't think we can explain any more than the views expressed by Mr. Fussmidge; I think that is the consensus of opinion.

HERBERT RACKHAM says.

Take a married man in a confinement case, the doctor's fees are $25 and the nurses' fees are $15, and apart from the nurse you have to have some one in the house to do the ordinary work and that is from $12 to $15 for the two weeks, and of course you are feeding them all the time; the nurse and the other lady assistant in the house and I think that about $100 for a confinement case is a pretty good estimate and nothing to waste, and only being fair to the people that are there, and that is not doing things on a large scale.

SOLOMON GOLDBERG says.

In regard to proving the high cost of living I have a brother in the butcher business; I know he used to be able to buy meat wholesale for from 4 to 6 cents a pound, and the same meat to-day he has to pay 8 and 10 cents all the year for; of course it fluctuates a little. Where he paid from 4 to 6 he now pays from 8 to 10.

Q. What have you to say to make the service better, outside of the increase in salaries; have you any suggestions to offer? A. That is wages so that the men would stay on the job.

Q. The question of permanency of men?

E. J. FUSSMIDGE says:

We figure if a man started in at $70 a month and he received $5 a month rise, after six years he would be receiving $100 a month. I think that would give a man some encouragement for stopping the six years; that would be able to keep him there and he could be able to bring up his family decently on that. That is what the police are getting now, and I think we are doing better service than the police.

Q. Am I to understand from that you want a monthly rate? A. If we had a monthly rate we would get paid for sickness on a monthly salary; on a daily salary no person can claim for sickness; in the old country they can claim their salary for sickness on a monthly salary.

Q. Is that one of the points, you want to make a monthly rate instead of a daily rate; do you think that would improve the condition? A. I think my brothers here would agree to that.

SOLOMON GOLDBERG says:

I don't see what difference it makes with us if we get a monthly rate or a daily rate as long as we get the salary up to a certain point.

Q. What holidays do you get? A. Two weeks per year and for six months you get one week if you are on the permanent staff. I was on for 11 months and about 26 or 27 days and I got one week's holiday.

Q. Do you get a bonus in addition?

E. J. Fussmidge says:

Yes, take ten days or the twenty dollar bonus.

Solomon Goldberg says:

I don't know how that is; I took the extra ten days last year but I didn't get any salary for the ten days, but I got the bonus at the end of the year and then again we had to be recommended for the bonus by good conduct.

E. J. Fussmidge says:

For bad conduct we wouldn't receive the ten days or $20 bonus; it is subject to recommendation by the postmaster.

Q. In your experience has he exercised that discretion fairly? A. Yes, sir, he is a very fair postmaster. There is only one man who had his bonus stopped; he had $15 stopped for bad conduct.

Q. Did he deserve it? A. Yes, sir, of course he was the only man I know of who had his bonus stopped.

Herbert Rackham says:

For a permanency I don't see there is anything against superannuation to make a man keep his position; it is something to work for and if he has done from 25 to 30 years service it is something to look forward to.

Q. Would you prefer that to retirement? A. Yes, sir, I do; I mean the same thing as they do in England; after 25 years service it entitles them to 75 per cent of their wages.

Fred G. Bushel says:

As regards the permanency I wish to second Mr. Rackham on the superannuation scheme, and about the carriers leaving the service so young in this western country, perhaps more so than the east, there are such heavy roads out here and the real cause of men leaving so often is on account of the heavy work.

Q. The city is extending and you find that your rounds are possibly extended? A. Yes.

Q. Are there not new appointments made to keep up with the growth? A. No, sir, and a short time ago there were three excellent men left on account of not being able to do it.

Q. How long do you reckon it takes a man to be able to deliver letters properly? A. Quite three months; he can deliver mail after he has been in the office a fortnight but he can't develop a trained memory in less than three months.

Q. So that in losing these men there is a distinct loss to the public? A. Yes, a distinct loss to the public and to the service, sir.

Q. For the reason that they have to become proficient? A. Yes.

The deputation withdrew.

Committee of the Postal Clerk's Association appeared before Mr. R. S. Lake, Public Service Commissioner.

(Not representing the association only, but all the clerks employed in the Calgary post office).

William Lee, sworn, examined by Mr. Lake, testified:—

Q. What is your position and your salary? A. Third class clerk, grade B, salary $800.

Q. Does that include your provisional allowance? A. No, that is $180 a year.

Q. Well, what have you to say? A. In regard to living expenses, you no doubt are aware that the living expenses here are very high in comparison with any other

city in the Dominion of Canada. They are extremely so; the time I have had to get statistics on the living expenses in Calgary has been short, and I have table of the living expenses made up which shows what it cost a working man to live in Calgary for living expenses for one year; I may say that this is a very conservative estimate; this statement was published in the press; it is a clipping from our Calgary papers.

Q. I suppose, gentlemen, you have all read these and are prepared to endorse this as a conservative estimate? A. Yes, sir, and the largest item is house rent; just $35 a month, which is a very moderate estimate for the five room cottage, of course there are a great many of us not living in as good a house because we cannot afford to do so.

Q. You think $35 a month is a moderate estimate for a five-room cottage? A. Yes, for a fully modern one.

Q. I would sooner you would speak of your own experiences, because that carries more weight than just statements of this kind? A. I didn't have time to prepare a table very well, but I am living in a house of my own; I didn't get this house by money saved while in the Postal Service.

Q. When did you enter the Postal Service? A. Four years ago.

Q. Can you make a comparative estimate for what it cost to rent that house four years ago from what it costs to-day? A. Yes, sir; four years ago that house could have been rented for twenty dollars, but now thirty-five dollars.

Q. Have you kept a good lookout upon your household bills, can you tell me roughly speaking, what your bills come to? A. I didn't keep them very carefully, but I suppose I know in a general way what the prices are compared to a few years ago; the price of sugar from five to seven cents a pound, and milk has gone up from 8 cents to 10 cents a quart, and meat has risen to almost double the price it was three years ago, the price of fuel has risen considerable, I should think at least 20 per cent in the last three or four years.

GEORGE JOHN SCOTT says:—

Examined by Mr. Lake:

Q. What class clerk are you? A. Third grade B, salary $980 per annum, service five years last July; five years ago when I came to Calgary sugar could be bought for ninety to ninety-five cents for twenty to twenty-five pounds; to-day that same will cost me from $1.25 to $1.35 according to the bargains which one has to look for. During the week you have to pay at least $1.40 for the same sugar; coal has gone up, we could get coal at that time, fairly good coal at six dollars per ton; to-day you can't get it unless you pay eight or nearly as high as nine dollars a ton. If you buy the Pennsylvania hard coal, that is as high as $14, but that is out of the question, and during the winter months a man that has any children, and I have two, you have to keep fires going night and day, sometimes for a month, probably two months without a break, and, during that time, a man will burn at least two tons of coal per month, because he has to keep a good fire; fruit is very high here I do not think it is as dear in any place in this country; apples at this time are three pounds for a quarter. If a man's wife makes a pie out of them she has to go some; she can't use too much apples to make a good pie; plums are sixty cents a basket for five pounds, and comparing this with what they were five years ago you could get those same apples, six pounds for a quarter.

Q. At the present season of the year? A. Yes, you could get good apples at this time.

Q. Are you speaking from your own experience? A. Yes, sir, and as regards house rent the place I rented in Calgary was a flat up over a store; we paid for the four rooms $12 per month and it wasn't fully modern. Just a lavatory and

wash basin, that's all, and that same place to-day is renting for thirty dollars a month. When I moved from that place we moved out into a small house in the suburbs and no conveniences, no water or sewer in the country, we paid $10 for it.

Q. Where is that? A. Hillhurst, it is in the mile and a quarter circle now, and that house to-day made modern is renting for $35 a month and the man who pays $35 has a poor chance for living. You could buy good meat for ten cents a pound then and now you have to pay twenty or twenty-five cents a pound.

Q. With your increase in salary do you have to live in a similar house? A. It just copes with it and it is only a four room house; it was only two rooms but we put in an addition and we have four rooms and a bath room and that is after five years' work and we had to stint ourselves. A man has to pay $100 down on it and the rest has to go to pay for it in rent. A man has to stint himself and not only himself but his whole family to make him able to pay his rent. It is sheer pluck that makes a man do it and nothing else. In that statement there it says one quart of milk a day for the whole family. Now, at the present time you can't keep my family on that: we have to have more.

ALLEN D. AITKEN says:—

Q. What class clerk are you? A. Clerk, third class, grade A, $900 with an additional $180.

Q. How long have you been in the service? A. Six years in the coming December. I find it takes a clerk entering the service now under the new law which became effective on April 1, it takes a clerk seven years to reach a salary of one thousand dollars which isn't anything I consider having five years' service.

Q. That is from the date of his entry? A. Yes, without the provisional allowance, and after the salary reaches $800 the annual increase is dropped $50 a year between five and eight hundred dollars. This hundred dollars a year drops to fifty and I consider that a man needs his hundred dollars after the three years' service as much as he does before it.

Q. Does that come as a regular matter of course? A. Yes, to get the $800 now a man has to pass the Civil Service examination; a man can get third class clerkship on the preliminary examination which takes him from five to eight hundred dollars; that is the third class period.

Q. He can't get any further than eight hundred dollars without passing a fresh examination? A. Yes.

Q. What is that examination? A. Qualifying examination.

Q. Provisional or literary? A. Qualifying examination.

Q. Does he pass the examination in the duties of his office or a literary examination? A. No, a literary examination; the preliminary examination is only made in case of test but the qualifying examination is a more difficult examination along the same line.

Q. Have you anything to say in regard to that question, the second examination, as to its needs? A. As far as this city is concerned I don't think it is necessary; it is necessary if there is very great competition, but I think an examination of the man's work would qualify him more than an educational examination. A man may be a good scholar but not adapted to post office work.

Q. In your opinion the examination for the highest grade should be based more on a man's fitness for the duties of the office? A. Yes.

Q. Than on his educational proficiency? A. Yes, I don't know that I have met men here but I met them in post office work; they might be very good scholars and able to pass any examination but they could not adapt themselves to post office work like others who could; then the provisional allowance which is $180 a year, fifteen dollars a month, I consider it should be raised to three hundred dollars, making twenty-five dollars a month. The difference in living here and in the east is all of that three hundred dollars a year.

Q. What has been your experience in the east? A. I have not had any experience there; I only know from statistics that I have read.

Q. Can you speak from personal experience? A. No, I can't because I have never lived in the east; then under this new Bill the senior third-class and a junior and a senior second-class clerk were reduced in grade to suit the salaries they received from the first of April this year, while a first-class clerk's salary was raised to suit the grade which I think is not right. On the first of October last year, I was receiving $900 as a junior second and on the first of April I was put back to third-class, grade A.

Q. What was the reason for that? A. I don't know it reads in the Bill that became law on the first of April; I forget exactly what it is.

Q. That all clerks receiving $900 or less should be rated at such and such a grade? A. Yes, all clerks receiving from $500 to $800 are third-class B, and clerks receiving over $800 to a thousand are third-class grade A; $1,000 to $1,200 are second-class grade B and so on.

Q. Your actual rating before this came into force was what? A. Junior second class, and I am a third-class grade man.

Q. Is this a re-naming of the grades? A. What they term re-classification.

Q. You say you were a junior second-class clerk? A. Yes.

Q. Had you been made such by any particular instructions? A. There is a departmental examination set for the clerks every year and if they pass this examination they are entitled to an increase of fifty dollars; that was in the old Act, and when they reach a certain salary they were promoted to the grade that carries that salary and my salary was raised to $900 on the first of October last year, which was the minimum salary for that class.

Q. Were you under the old Act entitled to an annual increase? A. Yes, $50.

Q. From $900 up to what? A. From $1,000 as a junior second-class.

Q. Has the new classification prevented your receiving the same increment? A. No.

Q. You will, still under the new classification be able to rise by fifty dollars a year to a thousand? A. Yes.

Q. All you lose is in the title then? A. No, not only that but I consider it was not fair to this class I am speaking of when the first-class clerks instead of being rated as seniors they were given one clerk in the office; we have only one first-class clerk here and his salary was raised two hundred dollars to bring him up to the minimum salary of his class, and instead of us having the increase to bring us to the same salary in our class, we were re-classified and reduced a grade to save the salary.

Q. Did that happen in many cases besides your own? A. Yes, sir, there were four.

Q. Did that happen in any of the other classes? A. Yes, the third-class senior clerks who were receiving $800 from the first of January are now junior thirds, that is grade B.

Q. Quite apart from the naming of your class, is this reorganization going to better your condition in the future? A. I don't know; what I don't understand is, whether it will be possible for us to reach the salary of one thousand dollars if I will be classified as a junior in the second-class grade B. If I can get my second-class that I had last October I won't lose any money by it.

Q. Can you go from the third class where you are now to the second class without passing another examination? A. So far as I know.

Q. It doesn't appear that you cannot? A. No, I can't see any mention of it in the new Act.

Q. Have you anything more to say? A. When a clerk is sick in this office for a few days or a week or a few weeks that time is deducted from his salary for the month that he is sick.

Q. Is that a permanent clerk? A. Yes, it isn't deducted permanently but he gets it back on the recommendation of the postmaster; if the postmaster certifies that he was properly sick; he has to recommend it and the authority comes from Ottawa that the man be paid; it is very seldom it is refused but my point is this: I do not think that it is right that the postmaster should use his discretion in not paying the man; it is a hardship for a man to have to wait for two week's wages.

Q. It is a hardship for a man to have to wait for a salary for a month? A. Yes.

Q. What you feel is that the procedure should be otherwise, until the man gets his pay? A. Yes.

Q. If the postmaster discovers he wasn't sick? A. Yes, if he discovered that, he wouldn't recommend him to be paid anyway, and I also think that legislation should be produced for providing superannuation for Civil Service employees. I think if a man spends his life in the government employment until he is 60 years of age I think he should be pensioned, but I don't altogether agree with a man buying his own pension as he does now. At least he doesn't buy it but he has five per cent deducted from his salary as retiring fund and the Finance Department pay four per cent compound interest on this five per cent of his salary and I do not think a man should have to buy pension that way.

Q. You think the pension should be re-established and the retirement fund done away with? A. Yes, and the pension re-established.

Q. Would you object to having the five per cent being still paid to the pension fund? A. Yes, I don't think it is fair for a man to buy his pension if he spends his life in the Postal Department or any other branch of the Civil Service; I think he is entitled to a pension. If he puts in ten years' service I think he would be entitled to something, but if he left before ten years he wouldn't get anything; I think a pension should be established. If a man contributed five per cent of his salary of course his family would reap the benefit.

Q. If his family should reap the benefit do you think a man should pay for it? A. Yes, to allow the five per cent deduction, but if it is for a pension that the family don't reap the benefit of it, if he should die; I don't think he should have to pay for it.

HUBERT HOLDEN says:

Examined by Mr. Lake:

Q. What class clerk are you? A. Third class, grade B; salary $980 a year which includes grade B provisional allowance.

Q. How long have you been in the service? A. Four years.

Q. What have you got to say with reference to these matters? A. I may say in the Civil Service Act there is no definite time stated what a man's work is supposed to be; it is not set down whether it is eight hours or nine hours a day.

Q. How long are you called upon to work? A. Eight and a half hours.

Q. How do you arrange about night work and Sunday work? A. The night work keeps on until they are cleaned up and probably two days a week will cause a man to put in another two hours' overtime each night.

Q. In the post office you have to have men employed nearly all of the 24 hours, don't you? A. Yes.

Q. How do you arrange that; do you take it in shifts? A. Yes, they change them around once a month; the day staff and the night staff.

Q. Tell me exactly how it is done if you can? A. The day staff would come on at 6.30 in the morning and work until 8 probably and take half an hour off for breakfast and come on again and work until probably 12.30 and one and one-half hours for dinner, and work through until they are cleaned up at night, which is probably five o'clock or sometimes a little later.

Q. The same staff of men that came on at 6.30 work until five o'clock? A. Yes,

Q. And if the work is not cleaned up they work later than that? A. Yes.

Q. When does the night staff come on? A. The majority of them come on at six o'clock and work through until two o'clock in the morning.

Q. And he post office is then closed from two till six? A. No, there are three staffs; there is another staff comes on at 11 and works through till seven.

Q. Without a break? A. Yes, sir, but they get half an hour for lunch; not to go out, because they bring their food with them.

Q. Each of you have to take it in turn to take one of these shifts? A. Yes.

Q. You also have to put in a certain amount of Sunday work, have you not? A. Yes.

Q. Does that mean when your turn comes for Sunday work, you work the seven days a week? A. You have your Saturdays off in place of Sunday. You come on Saturday night at eleven and work until Sunday morning.

Q. The only Sunday work starts at eleven o'clock on Saturday night? A. Yes.

WILLIAM LEE says:

I am on the despatching staff and we are called upon on alternate Sundays to work from four to five hours; it just depends on what work we have to do, but we have that time given back to us some day during the week when it is a little slack.

HUBERT HOLDEN says:—

In regard to my remarks as to hours, my complaint is that you are constantly being kept longer hours, it is not exactly complaint but it would help us if we saw it in the Bill, what you were supposed to work: we would be more satisfied; some of the staff think eight hours is the regular time and some eight and a half and at the least we put eight and a half hours in.

Q. Do you ever find that you are able to get away under eight hours' work? A. No, sir.

Q. As a matter of fact you are working eight hours and a half or more each day? A. Yes, sir, that is on the day time and there is another question in regard to overtime at Christmas time. Christmas time or the week before and two weeks after Christmas each man will average five hours' overtime for three weeks: that means a matter of ninety hours overtime for three weeks which is not recognized; we do not get any remuneration for it nor get any time off for it: another point is this: Now we come from home at half past six or seven when it is dark and through living in the suburbs we can't go home to meals and we have to bring our dinner with us and when we have to work overtime we can't get home to get our meals and it is ten cents extra for car-fare and by the time we get home it is too late to have a supper because it is bed-time.

Q. You get no remuneration in any shape or form for the extra time worked at Christmas? A. None whatever, sir.

Q. And in this office you find it averages ninety hours extra every Christmas? A. Yes, sir, that is a conservative estimate.

Q. That is based on your experience of four years? A. Yes, sir

GEORGE JOHN SCOTT says:—

With regard to meals which we have to bring along with us, there is no convenience in the building for us to make any tea or anything for us to drink; we have to drink cold water and in cold weather that is not very inviting.

Q. You are speaking of Christmas time? A. No, sir, all the year through.

Q. All the year through you have to bring lunch with you, for the night work especially? A. Yes, sir, night work and day work until we are through. On the city staff some nights we may get through by a quarter to two but during the latter half of the week, from Thursday or Friday we have to stay here until half past two and sometimes I have stayed here until four o'clock in the morning and during that time

we have had nothing warm to drink; we have a meal room down stairs which is not very inviting; as a matter of fact it is not fit to eat in sometimes.

Q. You have a meal room down stairs? A. Yes, there is a place they call the meal room.

Q. Is there a cook stove in that? A. No, sir, there is not a place we can cook anything on in the building.

Q. The meal room is where you are supposed to go and eat your meals? A. Yes, sir, there is just the table and two forms; but there is no stove and we would like, when the new offices are built, which are under consideration, to have a private place erected so that at all times when we are here for meals we will be able to go down and cook a meal if necessary. With regard to transferring senior clerks from eastern offices to western offices; during the last two years there have been several senior clerks transferred to the Calgary office which I consider——

Q. From the inside service? A. No, sir, from the outside service.

Q. From the outside post offices? A. From Toronto, they are mostly from. They are senior to us as regards service, well, at the same time we consider it unfair and unjust that they should come to the Calgary office and take positions which we consider should come to clerks in the office here. There were several clerks transferred here, senior seconds and junior seconds and at the time they were transferred here there wasn't a clerk in the office at as high a grade as that and before our clerks who had been here five to nine years can reach the top of the first-class clerk they have to wait for these men to die or be pensioned; it is practically waiting for a dead man's shoes. At the present time there is only one first-class clerk and we do not see any future benefit in store for us when these clerks are being transferred to this office.

Q. Have you any clerks in this office who have had considerable length of service outside of those brought in? A. We have two clerks of eight years' service, I think.

Q. Have you had any of your clerks transferred to outside offices to get better positions? A. No, sir, not that I am aware of.

ALLEN D. AITKEN says:

I think, considering the additional responsibility of the money order clerks, performing such duties, postal note and postal stamp supply branch which we have in Calgary, I think we should receive additional remuneration and more so than a clerk who has no responsibility.

Q. At the present time are those duties performed by a third-class clerk? A. Yes, we have in the money order department to-day three clerks receiving only five hundred dollars a year and there are two or three receiving seven hundred dollars a year; of course, they have their provisional allowance in addition to that but these men in the money order business stand to lose money and they have lost money and they have to make it up out of their own pockets. The man who has charge of supervising the whole money order department gets nine hundred dollars a year like myself and that is all and he is in charge and responsible.

Q. Do you happen to know whether a responsible position like that is held in any of the other offices of this size by an officer of the same rank? A. I don't know, sir, but I think they should receive more on account of their responsibility. The registration clerk has a great responsibility too.

Q. What is the head of that branch? A. Third-class clerk.

Q. Receiving what? A. $900.

WILLIAM LEE says:

I wish to say, speaking for myself, that the treatment we have received from the postmaster and his assistant, we are more than pleased with it; they have been more than friends with us and treat us very fine in the office.

Mr. LAKE says:

Have you anything to say in regard to the first entry in the service if it was open to competition?

Mr. G. J. SCOTT says:

I think it should be all open to competition.

Q. You think it should be open to competition? A. Yes.

Q. Do you think there are sufficient candidates who would go in for competition? A. Yes, sir, I think there would be sufficient candidates who would apply for admission into the Civil Service if there was open competition.

Q. How much leave in the year do you get? A. Three weeks.

Q. How many temporary clerks are there in this post office? A. Eighteen.

Q. What is the number of the whole staff? A. 34, including letter carriers.

Q. I am speaking of the clerks themselves? A. There are 18 temporary clerks and it is a staff of 84.

Q. How long will they have to remain temporary clerks? A. One year and they will be dispensed with unless they pass the Civil Service examination to preliminary qualify.

The committee withdrew.

The Commission adjourned.

13th of August, 1912.

Deputation from heads of departments appeared before Mr. R. S. Lake, Public Service Commissioner.

Those present were as follows:—

D. A. Bruce, post office inspector; G. King, postmaster; H. G. Graham, inspector of customs; T. F. English, collector of customs; W. E. Talbot, Dominion timber lands agent; G. D. Davidson, superintendent Railway Mail service; X. Saucier, inspector of Inland Revenue; R. W. Fletcher, collector of Inland Revenue.

Mr. G. C. KING says:

I think it would be a good deal better to bring the outside service into the inside service because, by doing that you would get better men for the service; men who would be better qualified for their work than you would be at the present time. If you happen to want five or six clerks you get applications from parties who are particularly friendly to those applicants and although you don't feel like taking them in you can't refuse to do so hardly and I think if these positions were thrown open you would get a better class of clerk than at the present time.

Q. Do you think you would have a sufficient number of young men offering themselves? A. Yes, I do, if the proper salary was paid.

Q. Do you think you can get candidates?

Mr. DAVIDSON.—I think so under the conditions of Mr. King's suggestion; if they were paid enough money we would get the candidates all right, but they would have to hold their examinations in the west instead of in the east, that would have to be one of the conditions.

Q. Would a general Civil Service examination provide the men who are wanted for the different branches of the service here, or would you have to have a number of different examinations for each particular branch of the service?

Mr. BRUCE.—There might be some difficulty at first in getting men, but that would be only for a short time until there would be plenty of candidates for the positions; I agree with Mr. King that it would very much improve the service.

Mr. TALBOT.—In holding examinations would candidates be appointed from the local district in which they passed the examination, or would a man, if he passed an examination in Ottawa, be sent out to Calgary, or the man who passed examination in Calgary be sent down to Ottawa?

Mr. LAKE.—I would rather not answer any questions of that sort, for I am more anxious to get your views than to express my own.

Mr. H. C. GRAHAM.—I would imagine, generally speaking, the candidate who wrote on that examination would naturally prefer to be appointed somewhere where he held his examination; it is assumed his home is near there. That wouldn't be universal, but it would be general.

Mr. LAKE.—Do you agree with the views given as to the advantage of throwing the service open to competition? A. I agree with it, but there might be a possibility at first of an insufficient number competing. I think in the past the number of men applying has been less than it would be, owing to the fact of not being able to hold the position and also the smallness of salaries offered by the government, and it is a well-known fact that business service is better for young men and recognized as better by them than government service.

Q. With regard to what you say in regard to continuing to hold their positions, what do you mean? A. I am not referring to any particular one; there is always a feeling abroad by young men coming into the position that there might be an alteration from time to time.

Q. Owing to political changes? A. Yes.

The inside Civil Service, since the Act of 1908 is supposed to be actually taken

Q. The inside Civil Service, since the Act of 1908 is supposed to be actually taken particular way at all; it does exist in the minds of young men entering the service. I have had smart young men working for me in 18 years' service and they have told me they were getting too little wages and would prefer to going into a commercial house as a commercial house would advance them according to their merit and ability, but if the outside service was placed in the same position as the inside service and salaries adjusted I think you would have plenty of men applying; that is my opinion.

Mr. BRUCE.—If a man enters the service under the third division he passes the examination for the second division, he is surer of promotion than under the old system; he has an opportunity of competing with the others for the higher grading, but under the old system it was impossible for a man to get promotion except after long years of service.

Mr. ENGLISH.—I agree with what has been said.

Mr. R. W. FLETCHER.—I agree with what has been said also.

Mr. LAKE.—Mr. Bruce spoke of the man who had entered the first examination passing on to the second examination for promotion to the higher division. I would like an expression of opinion in regard to that examination, whether in your opinion it should be a literary examination or one purely in regard to the duties of the office. A. Well, if a man is to compete with outsiders, as it is under the present Act it would have to be to some extent a literary examination, but I do not think it should be confined to a literary examination and I think the duties of the office should be very largely taken into consideration.

Q. Some of you gentlemen have had experience already, I suppose of young men entering and being some time in your employ who were not able really to pass a literary examination and get promotion to the higher grades; do you think in such cases it is really necessary to prevent them from rising by insisting on a literary examination, or would it, in your opinion, be to the best interests of the service simply to examine them to see that they were efficient in the duties they would have to perform? A. I think they should be efficient in their departmental work.

Mr. DAVIDSON.—I think their duties, and solely on their duties.

Q. You think it would be better to lay the principal stress on their duties? A. Yes, it is whatever would be required in their duties.—I think if it could possibly be arranged that the examination should be largely along the line the applicant was working upon and would be better than general examination, and I think a man applying for the Customs or Post Office should have an examination for that particular kind of work. The Customs Department recognize this to this extent; they put examinations for men for positions for inspectors who did not take the Civil Service examinations. The examination which these men have to take is purely and entirely on the matter of customs work and it refers to nothing else at all.

Mr. KING.—I think as far as the post office work is concerned they could do away with that qualifying examination altogether.

Q. That is for post office work? A. Yes.

Q. Not for entry? A. Not for entry; and after a year or so a postmaster should know whether he is capable of doing his work, and a man should be examined merely on the work in which he is engaged, and if he is found suitable he should have his appointment accordingly, and I have found that myself in the office downstairs where I have good men doing faithful work in certain parts of the office where they are not able to handle the other parts of the office, and some of them are not able to pass this examination which I think is totally uncalled for in the help that we have to place in the different offices.

Mr. BRUCE.—I agree with Mr. King that the recommendations coming from the office should be more considered than those from outside.

Mr. LAKE.—I understand, Mr. King, that after first entry the examination should be mainly on the duties of the office, is that the idea?

Mr. KING.—Yes.

Mr. DAVIDSON.—In the mail service they have to pass that examination each year before getting an increase: it is not a written examination, but it is the same as a written examination because the evidence of the examination is right there before you.

Mr. LAKE.—What is the minimum salary that a clerk should enter the service at in Calgary?

Mr. KING.—I would say that no young man, if he is capable of entering the service, should receive less than $75 a month.

Mr. DAVIDSON.—And if he is working outside like the railway mail clerk he should have $80 a month on account of the additional expense in being out of the city.

Mr. LAKE.—Do you all agree on the $75 minimum salary? A. Yes.

Mr. DAVIDSON.—Do you include allowances in that?

Mr. KING.—The $75 a month includes the provisional allowance and that is only about $54 or $55 at present.

Mr. TALBOT.—I should think $75 would be the minimum without allowance; the clerks in the land office have no allowances.

Mr. FLETCHER.—I quite agree that the minimum salary should be $75 a month.

Mr. LAKE.—Do you think a young man entering the service should be able to get along on $75 a month? A. I think so.

Q. But you do think it requires that much to enable him to live? A. Decidedly so.

Q. Do you think there should be an annual increment coming to the clerks year by year, and if so, how much?

Mr. TALBOT.—That is a question whether you would get the best results; if a man would work hard enough.

Mr. DAVIDSON.—The report of the officer in charge in our department has to go in for an increase to any person.

Mr. TALBOT.—That would be subject to the recommendation of the head officer.

Mr. LAKE.—When I speak of the annual increment I mean it as contrasted with the system of giving increases purely on the recommendation of the head of the branch and at the discretion of the minister; there are two systems: One is the annual increment granted on the certificate of the head of a branch, that the clerk is doing his duty properly. On the other hand there is the system under which officials are not entitled to a regular increment but have to ask to be recommended for an increase. I want your opinions in regard to these two systems?

Mr. BRUCE.—There is one difficulty about the system of annual increments: it is looked on as a sort of cast iron arrangement and it is almost impossible to get a man a larger increase. We have had one or two cases like in Mr. King's office where one or two bright young men have left the service because they could not get any more than the annual increment and it was too slow for them. If there could be a little more elasticity in making increases where an exceptionally good man is found and could advance more rapidly it would be a good thing.

Mr. LAKE.—Would't that be met with promotion by section which I think is the rule almost universally applied?

Mr. BRUCE.—We haven't found it to work out that way.

Mr. DAVIDSON.—I was told in one case they couldn't skip classes and that was the way to get a man more than what was coming to him, fifty dollars a year; that was what they held out. One man was recommended for more than the actual increase recommended by law. I have done it in cases and recommended that he get more increase.

Q. But you haven't recommended that he be advanced to the higher grade? A. What I wanted to get for him was more money and I thought I would figure it out as best I might: I was told I could not skip classes and he had to wait year after year until he got it.

Q. Which of the two do you think is the best? A. I think if they put a little of the other into the annual increase system it would work better. Of course I think the annual increase system is the better of the two.

Mr. LAKE.—The idea I wished to suggest was that a man who showed exceptional ability in his duties might be selected for a higher position.

Mr. BRUCE.—The trouble is, that although it might be possible for a man to get promotion from one class to another, it is very difficult to get promotion sometimes, and at times it only means a very small increase; for instance, a man in the third class he may be in the maximum of the third class and the next increase in the other class would be very small and he would skip the other class altogether.

Mr. LAKE.—In the post office you have regular annual increments? A. Yes, the clerks have to pass promotion by the post office inspector every year.

Mr. FLETCHER.—I have no information on that question. In the Inland Revenue Department no man is entitled to an increase until he passes the Civil Service examination, and until he passes that he can't get his increase at all.

Mr. ENGLISH.—I am inclined to have the system adopted the same as by the mercantile houses; if they get hold of a good man he is given a stated increase in the year; it depends on his own ability and if he proves a good man he gets a good increase; and if you haven't a good man he doesn't get an increase; it remains with him whether he stays with the firm or not, and in that way you get rid of the poor man and get the good man, and I think that system would work out in the government service in the same way.

Mr. LAKE.—Doesn't it occur to you in an ordinary mercantile business a man is more under the actual view of the head of the mercantile business but in the government service he is very far away from the minister? A. Yes, I know that: but the minister would have to depend on the information given him by the head of the department immediately over the man interested; it would be impossible for the minister to know the capabilities of the man in the service personally; he must depend on the information given him by the superintendent of the department.

Mr. LAKE.—I think that just at this stage it might be worth while in getting a general statement as to each different branch of the service represented here; as to the conditions under which the other employees enter and how they get their increases and salaries, the vacations they get, years of service and so on, because I think there is a difference between a great many of the departments. We will begin with the Post Office Department.

Mr. KING.—Under the Act under which we are working at the present time a man's salary when he first commences as a third-class clerk, grade B, he starts in with a salary of $500 a year and $180 provisional allowance, and he gets an annual increase of $100 a year up to $800.

Q. To $800 with a provisional allowance in addition? A. Yes, the salary would be the $800 after he had passed; if he got no higher in that class and he would get the additional provisional allowance of $180 besides. And before he could go any higher he must pass his qualifying examination before he gets any rise in salary under the present Act.

Q. If he passes that examination what class does he go to? A. He goes to the third class, grade B, with his salary just the same, but with an annual increase only of $50.

Q. And then promotions to the high divisions accordingly? A. After two years he would get a general second class.

Q. With what salary? A. He would get a salary of one thousand dollars a year with provisional allowance.

Q. Any annual increases in that class? A. He would get an annual increase up to $1,400.

Q. Well, of how much? A. $50 a year.

Q. What vacation is he entitled to? A. Three weeks' vacation and they work eight hours a day, sometimes eight and a half hours.

Q. Do they have to contribute to the retirement fund? A. Yes, all of them, five per cent.

Q. Do they have to give bonds? A. The government take their bonds.

Q. The government pays for the security of these bonds? A. Yes, deducting fifty cents every half year.

Q. The government pays it, but deducts it from the clerk's salary? A. Yes.

Q. And they make a deduction in the clerk's salary every six months of the fifty cents? A. Yes, I think it is that.

Mr. BRUCE.—It is twenty-five cents for each one hundred dollars worth of security per annum.

Q. Do the same conditions prevail with the clerks under the post office inspector?

Mr. BRUCE.—Yes, the clerks do the same.

Mr. KING.—Yes, I think that is right; I think the last grade is third division, grade B. I am not sure, I think the promotion from grade A to B, the salary goes up to one thousand dollars in grade A in the second division. The salary in grade B goes up to $1,200 and not $1,400. Second grade A goes up from $1,200 to $1,400.

Q. These provisions prevail under the inspector's department also?

Mr. BRUCE.—Yes, the clerks in my office are not under bonds as they are in the post office.

Mr. DAVIDSON.—The clerks in my office come under the same as just what has been said.

Q. That is the clerks working in the office? A. Yes, the railway mail clerk starts in at $500 a year with annual increases of $100.

Q. Do they get a provisional allowance in addition? A. Yes, I will give you that afterwards, to $800, and after $800 the annual increase is reduced to $50 per annum and that obtains until $1,400 the maximum is reached. In addition to this, allowance of one cent a mile between eight p.m. and eight a.m.; the miles travelled in the postal car on duty between eight a.m. and eight p.m. the rate is a half cent a mile. The provisional allowance of $10 a month is granted between the salaries of $500 and $800; over $800 the allowance is reduced to ten per cent of his current salary up to $1,200, and it disappears as the increases are paid over $1,200.

Q. What it actually does is, as soon as the salary reaches $1,320 it disappears altogether? A. Yes.

Q. And what about vacation? A. Three weeks only.

Q. Allowed on full pay? A. Yes, sir, of course, sick leave is also allowed on recommendation of the officer.

Q. Is that the case too in the home postal service, sick leave is allowed? A. Yes.

Q. Do the railway men give bonds? A. Yes, they do but I cannot tell you what the bonds are; they are in the same condition as the others.

Q. They have to pay for them themselves? A. Yes, the department deducts something for it from their pay but I can't tell you what they deduct.

Mr. ENGLISH (Customs).—It doesn't appear to be any definite amount of salary at which the clerk can enter the Customs. That is governed largely on the duty performed, for instance, just an ordinary clerk is now starting at $900 a year, while an appraiser would start at $1,200 a year.

Q. Let us take the clerical salaries just now that is the clerks in the office. A. The clerks now start at $900 a year.

Q. With an annual increase in salary? A. Apparently they get it on a recommendation from the inspector or I suppose from the collector and inspector jointly, but there is no stated amount. It is left with the Commissioner, I think, to name the amount of the increase.

Mr. GRAHAM.—Yes, the collector has, in some period of the year, to report on the staff, which report he gives to the deputy minister for the further consideration of the minister and from that the increases are usually made. There is no annual increase at all as I understand it; the increases are made at the discretion of the minister after considering this report.

Q. Are those increases made generally throughout the whole service? A. Well, so far as I know anything about the customs service, that is followed. A man is put on without any definite knowledge or assurance of increase.

Q. In practice he generally gets an annual increase? A. Yes, there is no automatic system though and he does not know what it will be, but he gets the increase after the minister has considered each office and he generally receives it after the report of the clerk in charge. That has been my experience.

Q. What is the usual amount of increase of the lowest grade of clerks? A. From $50 to $100 a year for the shorthand clerks.

Q. In your experience is the recommendation of the collector usually carried out? A. Almost generally so; sometimes it is varied.

Q. Is there any special provisional allowance?

Mr. ENGLISH.—No.

Q. Do collectors in the customs offices get the same rate of pay all over the Dominion so far as you know?

Mr. ENGLISH.—I couldn't say.

Mr. GRAHAM.—I don't know whether the salary is different in the other provinces or not; I think it is practically the same in all the three prairie provinces, but there seems to be no exact, uniform system, absolute uniform, about the salary, excepting they started in that way.

Q. With regard to other offices in the customs service?

Mr. ENGLISH.—Amongst the clerks themselves, there are no grades; they are all apparently on the same footing and receive increases each year.

Q. Do you not have first and second-class clerks? A. No.

Q. They are all classified as clerks? A. Yes, just as clerks.

Mr. GRAHAM.—The only difference so far as my observation goes is that all junior clerks placed in the customs service are placed as acting clerks, acting officers, that is a term used by our department. After they pass the examination which I alluded to they are placed on the temporary list, not the permanent list; then they are placed on the permanent list, but as soon as a man goes on the permanent list he can't see it makes any difference to his salary. He then, so far as I have observed, has no increase in salary, but he has certain privileges such as sick leave with a doctor's certificate and salary going on, he has the privilege of vacation only when he supplies a substitute at his own cost.

Q. Do you mean to say he has no vacation unless he supplies a substitute at his own cost? A. Yes, every time a clerk applies through his collector for leave of absence the leave is given him from his department but he must supply a substitute at his own expense and for whose acts he must be responsible.

Q. So that in theory the clerk gets no vacation unless he pays for it? A. Oh no; clerks usually double up on it, on the other man's work and he doesn't always supply a substitute because most of the clerks who have to supply a substitute would be able to take a vacation at all.

Q. What is the actual length of that vacation? A. Usually three weeks.

Q. What is the range of salaries that the clerks get? A. Hitherto most generally clerks are appointed as preventive officers and their salary in the time past has had a limit of $1,000 a year.

Q. What about temporary officers? A. A man on the temporary staff has no vacation privileges.

Q. And if he misses a day's work he misses a day's pay? A. Yes, he is supposed to.

Q. Have you many temporary officers employed in the customs service? A. New officers are all employed as temporary officers under the term of temporary officer.

Q. Do they remain temporary officers? A. No, after a man has been in the service a year or so it is expected that he will write on the examinations and put upon the permanent list, but my observation has been I have known men to go on for two or three years without being examined; they having in past years not qualified by passing the examination. I might add that the temporary clerk gets no vacation and there is no reduction made from his salary for retirement allowance and he doesn't come under the retirement allowance until he gets on the permanent staff, and when he does he gets the five per cent taken off.

Q. What about the bonds? A. It is paid by the government.

Q. And not deducted from the salary? A. No, not for the last five years.

Q. That is a discrimination between the two services? A. Yes, you will find many differences in the policy between the two departments; it would appear that certain matters of that kind are left in the discretion of the different ministers.

Mr. TALBOT (Dominion Lands).—General clerks come in at $780 and lady stenographers at $600 and generally after being in the service a year on application, with a recommendation of the agent, they get an increase of anywhere from $30 to $120 a year. That is the general guide by the recommendation of the agent. $60 is the minimum. If it is larger than that it is because of a stronger recommendation from the agent on account of ability and efficiency.

Q. Are the agents asked at intervals to make recommendations? A. No, the clerks generally apply at the end of a year regularly.

Q. It is the regular established custom? A. Yes, they are supposed to get an increase after four years' service up to the maximum for certain positions in the office.

Q. What is that maximum? A. You take a general clerk, the maximum is about $1,100 and an accountant $1,200; senior assistant about $1,400.

Q. Is there an examination required? A. No, no examination.

Q. From beginning to end there is no examination required? A. No, the clerks are advanced according to the ability shown for the different positions.

Q. Then in regard to hours of service and vacation? A. The hours of service from the first of April to the first of November are from 9 a.m. to 5 p.m. with one and one quarter hours for lunch; first of November 9.30 to 5 and vacation 18 days and sick 12 days without reduction in pay.

Q. If they are sick for more than 12 days they lose their pay? A. Well, it is reported. More than that is deducted from the pay as a rule unless it is supported by an application for sick leave and supported by a doctor's certificate. And there is a further grant of sick leave at the discretion of the minister without reduction.

Q. No doubt a man some time in the service it would be granted to? A. We had a man who died a month ago; he was on sick leave about three months without reduction in pay; he had been in the service a long time; we have two officers under bond, the accountant and he senior assistant, and the government pay for the bond and do not deduct payment from their salaries.

Q. And do the officers contribute to the retirement fund? A. No.

Q. No contribution at all? A. No.

Mr. SAUCIER (Inland Revenue).—We start at $750 a year with an annual increase when they pass a qualifying examination.

Q. What time are they required to pass the qualifying examination? A. One of the difficulties we have they won't go up for examination.

Q. How long do you think they remain as a general rule, are there many officers who have been there a long time? A. Yes, I think we have some of them who have been four or five years there.

Q. And still receiving $750 a year? A. Yes, they start at $750 a year and don't get an annual increase until they pass the qualifying examination.

Q. When they do pass the qualifying examination do they get an annual increment? A. Yes, they go up to $1,000 a year.

Q. Is there promotion from that to higher classes? A. No, not supposed to be. Then we have the excise examination.

Q. What can a clerk aspire to when he commences? A. He can't go beyond a $1,000 a year; he is always a third-class clerk; he can't become an accountant or collector or deputy collector or inspector; he is always a third class clerk.

Q. What is the salary of an accountant? A. That is based on the class or the division. 1st, 2nd, 3rd, 4th, 5th and 6th class divisions, and that classification is based on the collections. A division that collects a million dollars a year is a 1st class; half a million, 2nd class. Our division here is just becoming a second class; it collects over half a million.

Q. What salary would your officials receive in that case when they become a 2nd class? A. Minimum 2nd class, $2,000; deputy collector, minimum would be $1,500; accountant, minimum would be $1,200 and in addition to this the provisional allowance that they get in the west. No, I was including the allowance, $750; $600 is the amount plus $50 allowance.

Q. Do all the officials get $150 a year provisional allowance in the Inland Revenue Service? A. All the juniors do.

Q. Up to what salary? A. The $600 people, they get $150.

Q. Then later on, what then? A. The collector gets $100, the inspector $100; it started last year for the inspector and collector getting $100.

Q. Up to last year it was only the juniors? A. Yes, the junior third-class clerk.

Q. And this year the inspector and collector receive that $100? A. Yes.

Q. Would that apply to the accountant too? A. It would apply to him, but we have no accountant here.

Q. What about the hours of the service? A. 8 a.m. to 6 p.m. outside men and 9 a.m. to 4 p.m. for the office staff.

Q. And what about vacation? A. 21 days a year for all employees who have been one year in the service.

Q. Then there is no restriction on that; do they have to provide another man? A. No, no restriction on that, and in case of sick leave they have always paid them; we have had no difficulty in that respect at all; I don't know just what the law is; we have had men sick for months and as long as they furnished a medical certificate they have always had orders to pay them.

Q. In regard to bonds, do your officers give bonds? A. Yes, they all give bonds.

Q. And who pay for them? A. All pay for themselves.

Q. Is there a deduction made for them from their salaries? A. Yes.

Q. For the retiring allowance as well? A. Yes.

Mr. LAKE to Mr. KING:—With regard to the post office officials, they get a provisional allowance of $180, do they not?

Mr. KING.—Yes.

Q. Does that not cease after a certain time? A. Yes, it ceases under the new Act after they are getting a salary of $1,600 a year.

Mr. DAVIDSON.—With regard to the provisional allowance, I don't see why it should cease after they reach $1,600 a year?

Mr. SAUCIER.—It is not so with us.

Q. What is your salary, Mr. Saucier? A. $2,100 a year; that is the minimum of an inspector; $2,000 to $3,000; the maximum is $3,000, but I have to start at the minimum.

Mr. ENGLISH.—A clerk entering the Civil Service gets $70 a month; they have no system whatever in regard to annual increases, but when they grant an increase it is never less than $10 a month; a clerk in the service about three years receives about $100 a month and others within four or five years are getting $125 a month.

Mr. LAKE to Mr. ARTHUR L. JENKINS.—Can you give us any information as to payment of salaries under the provincial government of this province? A. General clerks in the Land Titles office and other departments working under the provincial government start at a salary of $75 a month and lady stenographers $60 a month. At the end of each year the head of the respective departments recommends individual increases if deemed advisable. I am a court stenographer, and court stenographers in the province receive a salary of $1,200 per annum, but of course rely entirely on fees for stenographic work which trebles the salary.

Mr. TALBOT.—I think a general clerk would get from $60 to $75 a month and they would get a higher salary very much quicker in commercial houses than in the government service, but when entering they would get from $60 to $75 a month and stenographers, of course, range according to ability. An ordinary stenographer would get from $50 to $60 and a good stenographer from $75 to $85.

Q. Do I understand there are female stenographers in the government service? A. They are not well paid; they start in at $600 and the maximum is $780 a year.

Mr. DAVIDSON.—We pay $2.50 per day for a stenographer and the others are classed as clerks.

Q. And they get the same rate of pay? A. Yes.

Mr. LAKE.—We have had a statement as to what the general clerks are getting. Is there any difficulty in retaining their services once they have entered the service and been trained.

Mr. GRAHAM.—I have found difficulty as a collector; that was before I was an inspector, in doing so. Bright young men would come into my office and work for me a couple of years and as I said before, because they thought the inducements were better outside, they left.

Q. And you consider that the service must suffer on account of that? A. Yes.

Mr. SAUCIER.—In the Inland Revenue Department I have found that the case also; they sometimes go off after they are qualified.

Q. Would you be prepared to say that you practically lose the best young men? A. Yes.

Mr. LAKE to Mr. KING.—Would that apply also to the Post Office? A. Yes, it applies to that worse than to any other department in the Dominion; there isn't a month but that young men take positions in the Post Office Department and then get better positions with more money outside and my best men whom I have trained to do that work, smart young men and capable, they get something better outside and they leave the office. The post office service isn't very attractive to a well educated young man with the present salary given; as soon as you get a bright young man he is away from you the next week.

Q. Do you think that is one of the reasons or difficulties in obtaining efficiency in the post office? A. It is one of the greatest obstacles we have to cope with.

Q. It takes some time for a clerk to understand his duties? A. Yes, it takes a long time and so much responsibility rests upon it; it is a responsible position and a very poor pay, and as soon as he can relieve himself of that responsible position he leaves the post office employment and gets another better position.

Q. Do you find you have to give junior clerks responsible positions for which the pay is inadequate? A. Yes, junior clerks can only get the pay of their division and they are doing responsible work; in a commercial house the same clerk would be receiving $75 a month and perhaps $150 for doing the responsible work that he has to here and he is only getting $75 a month.

Q. Would you say in a commercial house where he holds a responsible position they would raise a man's salary according to the work they were doing? A. Yes, I will give you an instance of a clerk who left me only a few days ago; he had been in the post office in Winnipeg and in Calgary. He was taking in from $12,000 to $20,000 a day and he was receiving a salary of $900 a year and he had to be responsible for any losses and there is no fund except out of his own pocket to pay up that shortage; the best of us make mistakes and yet that man only received $900 a year and simply took a chance of getting his twelve or thirteen hundred a year on passing the examination.

Q. Did this man you are speaking of get a better position? A. Yes, he started in at $100 a month for one of the insurance companies.

Q. Is that the experience in other offices?

Mr. SAUCIER.—Yes, sir.

Q. You have to give junior clerks very responsible positions? A. Yes, sir.

Q. On small pay? A. Yes.

Q. What would be the best way of retaining good men in the service when you get them? A. Pay them well.

Mr. LAKE.—In addition to giving them a good salary there is the question of the increment; there is also the question of superannuation and any other suggestions you may wish to make; it is a big question but I would like your opinion. A. I think the question of the good salary is the greatest one and I think it is the greatest inducement at any rate.

Mr. DAVIDSON.—What they find in the States, they haven't any superannuation there; their trouble is after a man gets to a certain age he isn't able to do his work properly and there are instances where they would be carried to their desks and carried away again after they do their work so that the would get their pay and I think superannuation would do away with that.

Q. Do you consider the superannuation system is going to remedy the difficulty I have mentioned; that is, of keeping men in the service? A. Yes, and also get rid of men on account of their age and ill-health.

Q. Would you put superannuation next after an adequate salary to begin with? A. Yes.

Q. Do you believe that, Mr. Graham, that superannuation would be a good thing? A. Yes.

Mr. TALBOT.—The Post Office Department is the least attractive position of the whole lot on account of the hours.

Mr. DAVIDSON.—The same with the railway mail service; Sunday or week day; day or night, it is just the same; and the post office is a 24 hours a day job; he is liable to be on in any of those hours.

Q. Any other opinions as to the best way of keeping good men in the service?

Mr. SAUCIER.—I agree with Mr. Davidson that superannuation would help a whole lot too.

Mr. LAKE.—You mean superannuation for all, and a man to become entitled earlier under the more trying job, is that what you mean?

Mr. DAVIDSON.—Yes.

Q. Do you think superannuation would have a strong effect of keeping men in the service? A. It wouldn't when they first came in, but the salary would and in a few years afterwards a man who knew he was going to get superannuation would be very loath to leave the service.

Mr. GRAHAM.—When I expressed the question of the salary I would like to amend my answer; I mean that a general system of superannuation would tend considerably toward keeping men after they have been in the service a long time. That is superannuation in preference to the retirement fund.

Mr. TALBOT.—I think that salary and superannuation would be a good thing; the salary would be an attraction first and as Mr. Davidson says, after a man has been in the service a few years the superannuation would be an inducement for a man to stay in the service.

Mr. LAKE.—That is your opinion too, Mr. Fletcher? A. Yes.

Q. Would you subscribe to that too, Mr. Bruce? A. Yes, sir.

Q. In regard to the question of superannuation Act V. the Retirement Act what is the opinion in regard to that, Mr. King? A. I think the Retirement Act should be done away with and Superannuation Act comes into force as soon as possible and I have been contributing to the Retirement Act for the last eight or ten years, and it amounts to about eight hundred dollars or one thousand dollars, and if I was to retire to-morrow that is all that I would get after 28 years service in the department.

Q. Previous to the adoption of the Retirement Act were you under superannuation? A. No, I was not under the Civil Service Act at that time, and it is only since the office has become a city office that I have come under the Civil Service Act, and I could have taken that same amount of money and put it in insurance on my life and if I was asked to retire that is all I would get for the service I have put in.

Q. Have you taken out insurance under the Civil Service Act? A. I was not aware I could take insurance.

Mr. GRAHAM.—My opinion, previously expressed, is I prefer to see the superannuation system take its place and the retirement system abolished and every one who has

paid in to the retirement allowance fund be dated back, that is he be placed on the superannuation scheme the same as would be had he gone on on the retirement plan and the money that is paid in be credited to him on the superannuation scheme.

Q. Wouldn't you make that optional; it would be an arbitrary action; a man who paid for the retirement and intended to get out the next year? A. I don't intend to convey that impression at all; I think there should be an option; he should be committed to that. When those of us who are on the retirement plan we had no option, we were compelled to go on on the retirement system plan.

Mr. TALBOT.—I haven't had experience with either.

Mr. FLETCHER.—I think superannuation would be preferable to retirements.

Mr. LAKE.—State whether, in your opinion, the contribution towards a superannuation fund should be compulsory to all men from the moment they enter the service.

Mr. KING.—I think so myself.

Mr. GRAHAM.—It seems to me it should be; I would be glad to make it compulsory that every one going into the service should be placed under the superannuation scheme.

Mr. TALBOT.—I also think there should be a superannuation system and it should be contributory as well.

Mr. FLETCHER.—I am very strong on the superannuation system making my answer as brief as possible.

Mr. ENGLISH.—I am of the same opinion.

Mr. DAVIDSON.—I am still under the superannuation of the old Act.

Mr. LAKE.—Do you think it is a good system? A. It is as far as it goes.

Q. Would you be willing to increase that to five per cent? A. If it was arranged I wouldn't have to pay it all at once.

Q. I don't mean the back pay; I mean for the future? A. Yes, with a proviso that in case I die the wife should receive the pension, or any infant children.

Q. You approve generally of the principles contained in the Power's Bill, do you?

Mr. SAUCIER.—I think the superannuation is better than the retirement fund

Mr. BRUCE.—I am strongly in favour of superannuation.

Mr. SAUCIER.—In 1898 Mr. Fletcher here was given his choice and he has changed his mind now.

Mr. LAKE.—You elected at that time for retirement; you would be glad to relinquish your retirement claims?

Mr. FLETCHER.—Decidedly so.

Mr. LAKE.—Should there be a compulsory age for retirement, that is the next question.

Mr. ENGLISH.—I think 65 should be an extreme limit.

Mr. TALBOT.—I think so too.

Mr. FLETCHER.—I don't agree with you; I am 65 and I don't think I am a very old man.

Mr. LAKE.—You would all be in favour of an age limit? A. Yes.

Mr. LAKE.—I think that 65 was the limit fixed by the Power's Bill, and it was only in exceptional cases that a man should be allowed to remain until he was 70 years of age; you all agree with that? A. Yes.

Mr. BRUCE.—I think in addition to compulsory retirement a man should be granted permission to ask for retirement at an earlier age.

Mr. DAVIDSON.—A man who has been in the service for 20 years and has had bad health and wanted to retire he should be given a less allowance and allowed to retire instead of keeping him on the string and letting him come back to work one day in the year.

Q. If a man is allowed to contribute for 20 years for the superannuation fund, should he then be allowed the privilege to retire with the superannuation allowance which would then be due to him?

Mr. GRAHAM.—I think that is right.

Mr. KING.—I think that is right.

Mr. LAKE.—I take it for granted that a superannuation allowance should be based on the length of service? A. Yes.

Mr. DAVIDSON.—The principle now is ten years, and it goes up to 35 years, and you can ask for superannuation any time after ten years, but you might not get it.

Q. You think a man should be allowed to claim it after twenty years' service?

Mr. DAVIDSON.—Yes.

Q. Do you know any of the men under you who are of such an age that it would be in the interests of the service if they could retire with a superannuation allowance?

Mr. DAVIDSON.—I have one man; I have recommended him for superannuation to-day; he applied for it himself.

Q. He came under the Superannuation Act? A. Yes.

Mr. KING AND ALL OTHERS PRESENT.—We haven't any men under our departments.

Mr. LAKE.—What have you to say about the cost of living?

Mr. KING.—I can only speak from my experience; the last five or six years prices have nearly doubled, especially so in regard to meat.

Q. Taking expenses of living generally? A. Yes, you can't get canned tomatoes two for a quarter like five years ago and it is 25 cents to-day and meat which was 6 cents is now 10 cents.

Q. Do you find it in regard to groceries, bills are higher than they were before? A. Yes, take sugar: 90 cents a sack three years ago, and now it is $1.25 or $1.35; flour is 50 cents to 75 cents higher than it was three years ago.

Q. What about rents? A. Rents are very much higher than they are in the east,; from my experience I have found men who were transferred from Toronto here who were paying $18 to $20 for a good-sized house and when coming up here, expecting to pay $30, they have to pay $50 or $60 or $65.

Q. For the same sized house they were used to living in? A. Yes, and not as good a house.

Q. How do they manage to get along? A. A married man, say drawing $1,000 a year; he rents a house at $50 or $60; he lives with his wife and has one child; they lived in the sitting room and bedroom and they rented the other rooms for $15 or $20 a month.

Q. Is that a common practice amongst the civil servants? A. Yes, otherwise they couldn't pay the rents and live on the salaries they are getting when they have to pay $50 or $55 a month rent.

Mr. GRAHAM.—That is universal from Winnipeg westward. Certain men are living in houses pretty near equal to their salaries and it is that way; my living expenses are fully 25 per cent higher than in the east and my rent is $60 a month.

Q. Where do you come from? A. Brandon, and my experience is rents are 5 to 8 per cent higher in Calgary than they are in Brandon.

Q. Higher all around for all the other necessaries of life? A. Yes.

Q. Including rents? A. Yes, there are a few individual items you might take out, but taking the whole thing it is quite 5 per cent and perhaps 8.

Mr. TALBOT.—In the last five or six years the increase in the cost of living has been fully 30 or 35 per cent. Individual items have not increased that much but the general increase is 30 to 35 per cent.

Q. Speaking of the subordinate officials generally do they have to restrict their expenditure to live in a worse way now than they did a few years back? A. A married man has to rent some of his rooms in order to pay the rent.

Mr. FLETCHER.—I can't add anything to what the other gentlemen have spoken; I fully endorse what they have said.

Messrs. ENGLISH, SAUCIER and BRUCE.—We endorse what the other gentlemen said.

Mr. LAKE.—In regard to senior officials, how do your salaries compare to men holding similar positions in private establishments here? I would like this matter generalized is a way; I don't want to make it too personal; I suppose your positions are equal to managers of loan companies and branch banks, &c. A. I would say that in any town where there was a collector of customs he at least occupied a position of equal importance to any bank manager in the place and to bring the matter to our own door I would say that a collector of customs was occupying as important a position and he should have a salary as high as the bank manager of the city.

Q. Does he get as much? A. In some small places they don't get as much salary.

ARTHUR L. JENKYN, court stenographer, Calgary, says:

Bank managers are paid in outlying towns $2,500 per annum and in the city from $3,000 upward; their club fees are paid and in smaller towns are allowed house accommodation, fuel and light.

Mr. DAVIDSON.—The Canadian Pacific Railway officials are governed from Montreal as far as possible.

Mr. ENGLISH.—Having been claims freight agent here for several years I can state the salaries of a few railroad officials: the superintendents get $3,500 per annum and general superintendents $6,000 and other privileges and free house.

Q. Do they get fuel? A. No, they don't get fuel.

Mr. KING.—This is a statement of the revenue for the office for this last year and two years previous. The revenue of the Calgary post office for the year ending 31st March, 1911, gross revenue was $158,687.10; for the year ending 31st March, 1912, the total revenue was $229,147.97. Making a comparison between the letters handled at the post office during the week ending the 10th of April, 1910; 191,011 letters handled. Two years later for the corresponding week there were 392,929 letters handled.

Q. Is that a fair comparison of the increase in the business? A. Yes, sir, I believe it is and I can give you a further statement for the last three months showing you that it is still bigger.

Mr. FLETCHER.—The amount collected in the year 1907 for the Calgary division Inland Revenue Department, was $329,800.46; in 1911, $523,443.71.

Q. Being an increase of 23 per cent up to the end of the year 1911? A. Yes.

Q. To the end of the calendar year? A. Yes.

Mr. ENGLISH.—In the year 1907 the Customs collections amounted to $604,358; in 1911 they amounted to $1,740,567.

Q. That is in Calgary alone? A. Yes.

Q. That is not including the outport? A. Yes, just the one outport, the only one and that is Medicine Hat.

Mr. BRUCE.—The growth of the post office generally in the Calgary division. On the first of June 1907 there were 223 post offices in the Calgary division; on the first of August, 1912, there were 501; the number of post offices opened on the outside was 305 but there were a few closed which made a difference; the number of mail services in operation in 1907 was 171; the number now in operation is 337; the total cost

of mail service for three months in 1907 was $10,503.46 which would be $42,013.84 for the year. This yearly amount is based on the figures for three months because, I haven't the figures before me for 1912; cost of mail service in 1912 for three months was $29,306.71.

Mr. DAVIDSON.—In 1908 we had a total of 49 employees; in 1912 we have 97 employees on the regular staff; the number of mail services by train 18 in 1908 and 30 for 1912; amount paid for transportation of mails by trains 1908, $143,322.75; in 1912, $170,115.53; and being an increase of $26,793.78.

Mr. TALBOT.—Receipts for the Dominion Land Office for the year ending:

30th June 1906,	$101,133.54
9 months, 31 March, 1907,	62,878.95
Year, ending 31st March, 1908,	72,639.45
" " " " 1909,	133,045.12
" " " " 1910,	247,354.31
" " " " 1911,	285,273.29
" " " " 1912,	384,560.24

The deputation withdrew.

The Commission adjourned.

CALGARY, 12th Aug., 1912.

Note of statements made by Inspector W. M. Millar, of the Forestry Branch, of the Department of the Interior, in reply to questions regarding his work.

"We have a number of young men employed called Forest Assistants, graduates of the Toronto University and trained in forestry. We have six men besides myself, two of whom act as supervisors. These men are permanently employed; one of them has been on the staff four years, but the remainder were appointed this year. We have three now at Edmonton and two at Pincher Creek. The supervisor has charge of one of the divisions of the Reserve Lands and the rangers are responsible to him and he to me. He is my subordinate official in charge of the Bow River division of the Rocky Mountain forest reserve. It extends from the international boundary to the Peace river and is one hundred and fifty miles wide at the north. The supervisor and rangers cover this whole division, which is divided into districts looked after by one or two men.

There are coal mines being developed through the reserve, especially along the Crowsnest pass. The sale of timber in the reserve is in the hands of the Forestry Branch. Those already sold are being handled by the Crown Timber agent. That comes under the Dominion Lands. They handle all limits outside of the reserve and collect the duties. We have a number of sales on now where there is a great deal of burnt timber; this burnt timber makes good mine props, but after two or three years is not good for lumber. The timber on the east slope is not susceptible to fire being all within the park. We have a proposal to sell a large supply of timber to Mackenzie and Mann for their coal mine west of Red Deer. I think the revenue in the Rocky Mountain reserve represents about $15,000 per annum. Eighty to ninety per cent of the Rocky Mountain forest reserve is under twenty years old, which will take some time to develop for timber use. This reserve was created only in the spring of 1911. All the waters in the prairies come from the mountains of this reserve. One of the features emphasized is that this reserve is the source of the water for the prairies.

We have trouble in keeping good men. A man likes to be assured of permanent occupation. The rangers take care of all field work and see the supervisor only

once a month; so that we require good reliable men for such positions. They get $100 per month, but pay all their own expenses and provide for two horses each. We have had some men on for two years. There is no trouble in getting men for temporary work, but for permanent rangers we need good men. They should be made permanent and on a non-political basis, after qualifying by examination for this work. We could get men for such work if we could assure them of permanency of the position; but would have to give them increases of salary on a graded basis, say from $1,200 to $1,400 per year. I think we could hold them without the superannuation system, which is a big problem if applied to all government service, and requires consideration. We find difficulty in getting supervisors as we need technically trained men although we have some who are not. A few graduated from Toronto this year and we got them, but the British Columbia service came along and offered larger salaries and took them away from us. We have in this district four men employed this spring, all technically trained, but the supply is limited, Toronto University being the only place of training in Canada. These men do not get any annual increase in salary; nor is there any such provision, though I think there should be some such arrangement. The qualification insisted upon is graduation from a forestry school, but the supply is so limited that they have taken such men as they could get. The competition from British Columbia government is working against us in this part, however, and we lose men to their service. They have taken six or eight men within the last few weeks. I know the British Columbia government is offering better pay to our men getting $12, they offer $15 and $16, and to our men getting $15 to $16 they give $20, and to those getting $24 here they give $28 per week. They offer their fire rangers a disproportionate amount. They get $4 per day with expenses and $45 per month for a horse. The Dominion timber belt, forty miles wide to the coast, will suffer from this competition.

The reserve administration is divided into three districts, Manitoba, Alberta and British Columbia and there may be one in Saskatchewan. Mr. Herchmer has charge of the Manitoba district as inspector of forestry. In British Columbia the work is fire protection and reservation of the timber lands, all within the twenty mile limit. At the present time in the Dominion, it is almost impossible to get rangers to do much. That leaves it difficult for technically trained men to carry on the work. There have been several cases where work was interfered with for political reasons, and it resulted in the men leaving the service. The rangers are all political appointees and some are turned out for political reasons, and being appointed politically they almost refuse to work. This work is not like office work as the man is not seen more than once a month. You have to know he is working from results. The man feeling he has political backing is not certain of doing good work. The result is the supervisor gets dissatisfied and quits the position and goes elsewhere. The experience is that work has been delayed or neglected in cases where a man could do it in a day or a week, and sometimes the men claim that there have been adverse conditions which prevented the work being carried out. They should be situated so that political interference would not affect the work in hand. Temporary rangers are supposed to do some work in the nature of patrolling, but the conditions are different with the permanent ranger and he should be free from political influence if good results are to be attained."

CALGARY, August 13, 1913.

In reply to questions by Mr. Commissioner Lake, the following information was given by Mr. George Hill, Deputy Grain Inspector, Department of Trade and Commerce:

"There are some features in connection with this work which I wish you could place before the government. Our men are not paid enough at $60 per month

for the work they are doing. A man cannot get a house worth living in for less than $50 per month. We have had this office open for seven years and previous to that I was with Mr. Horne, at Fort William, having been in the service since 1889. I am on the permanent list, but do not contribute to the retirement fund. We have not that privilege, nor of superannuation, which is one of the defects of this branch of the service. Mr. Harris has been with me since I have been in charge of this office. I have been trying to get the government to confirm his appointment; he is qualified as a deputy inspector of grain and yet gets only $85 per month. Also as his appointment has not been confirmed, he cannot sign certificates when acting in the capacity of deputy.

I have not been away from the office only for one month during the seven years I have had charge except for an occasional day. I have two men assisting at the yards and cars. In the months of October, November and December we have from 1,200 to 1,500 samples per month to deal with. In addition to the two men in the yards, there is one at the Brackman-Ker Milling Company and two more at other milling companies, but they pay the salaries of these men, though they are under my control. This makes five men altogether assisting me under this office. The amount of grain handled is growing steadily but not so fast as might be expected We handle only grain going out of Calgary or westward. Our inspection does not increase particularly fast as the outlet is limited since I do not touch the grain going east. When navigation closes on the Lakes, it is expected that a great amount will be sent west when the Panama Canal is opened. Inspectors will then be required at Vancouver and Prince Rupert. The grading can be done as well at Calgary as at Vancouver. Nine times out of ten a mistake made in grading is covered up before it can be detected, so that a man has therefore to be constantly on his mettle."

Mr. LAKE.—Do you have difficulty in getting competent men at the rate of pay allowed you?

Mr. HILL.—The rate is $60 per month and they work from daylight to dark and are liable to be called at any time. We have to send them back to the yards often after 6 o'clock. Until Mr. Gibbs stopped us inspecting grain going east, our men were liable to work seven days in the week, working on Sundays to save double work on Mondays. These men have to be fairly well educated and to be physically sound and able-bodied men. They do not do the grading but take samples and the grading is done by myself: I grade everything that passes through Calgary. The men employed at the milling company's works are called weighmen and occupy positions of trust. If they were dishonest men they could make more money than they are paid, and I think they should be paid a higher rate. It takes a man some weeks to learn the work; they do so under my supervision or working with another experienced man. I have not had great difficulty in keeping men on the job. Some of the men have got an increase of $5 per month. Mr. Harris is a good man and has been with me for over five years and gets only $85 per month. I have had to pay for the bonds of the men out of my own pocket, as I consider the men could not afford to pay $3 out of their small salaries. I think the government should pay for the bonds instead of having the men to pay the bond premiums. I believe in the men being bonded, but think the government should pay for it or give the men larger salaries to enable them to do so. I am paid $175 per month since September last, I was receiving $125 per month up to that date.

Mr. LAKE.—Were you allowed a higher salary on coming from Fort William to Calgary? A. No. I had to move my family from Winnipeg to Fort William and from there to Calgary at my own expense.

Mr. LAKE.—Did you find the cost of living higher when you came here? A. Yes, a little higher, especially rent. I have no complaint personally, but think my assistants should have better salaries. Mr. Harris should have $100 per month. I have had offers from men to come in and work at salaries my assistants receive in

order to get the experience, which shows the value it would be to a man seeking employment with grain merchants outside. There is not a workman in this city getting less than 27c per hour and most of them receive much more.

EDMONTON, 14th August, 1912.

A meeting of the heads of the various departments of the service was held in the offices of the post office inspector, at 2 p.m., those present being as follows;—

A. E. Cairns, post office inspector; Alexander May, postmaster; W. Richardson, Collector Inland Revenue; Jos. Cauchon, treasurer Public Works Department; R. Cunningham, resident engineeer, Public Works Dpartment; J. S. McDonald, inspector of Dominion Telegraph; A. Norquay, Dominion Lands Agent; F. A. Osborne, Collector of Customs; D. Dyer, chief clerk, Customs Department; J. E. Legere, assistant post office inspector; S. J. Carter, dead letter branch, Post Office Department; R. L. Haskell, janitor, public building.

In reply to questions by Mr. Commissioner Lake the following views were presented by the departmental heads present:

Mr. LAKE.—Should the outside service be thrown open to general competition, i.e., be brought under a commission?

Mr. NORQUAY.—I am in favour of having the service thrown open to outside competition.

Mr. CAIRNS.—I concur in this.

Mr. May and Mr. Legere spoke on the subject of the necessity for having promotion dependent on an examination in the duties to be performed instead of an academic examination.

Mr. MAY.—I think members of the staff should have first consideration on the grounds of experience in the duties to be performed.

Mr. NORQUAY.—I concur in this.

Mr. OSBORNE.—On my staff many clerks are best adapted for the performance of certain duties although they might not be able to pass an examination for promotion.

Mr. McDonald referred to the case of technical men in the matter of examination for appointment and promotion.

Mr. Cunningham also spoke regarding the age for entry into the service.

Mr. Legere spoke regarding defects of the present system in regard to selection for appointment and promotion on the basis of competitive standing.

The general view expressed was that the service should be open to competitive appointment and after that promotion should be made on examination in the duties of office. Mr. Norquay favoured a different examination for each department based on the requirements of the duties of the various departments. Mr. Byer agreed with this. Mr. Cairns pointed out that in the Post Office Department the clerks are appointed under the general qualifying examination and afterwards they must pass two examinations per year in order to get promotion.

He thinks clerks in the west could not be retained if they were obliged to qualify on a literary examination. In the post office during the past two years the initial staff is almost altogether changed. There is a resignation or two nearly every week and if these men were placed on a literary basis of qualification they would not stay at all.

The meeting agreed, however, that the entrance into the service should be by open competitive examination. They also agreed that for such a qualification there would be no dearth of candidates and applicants; and think the proposition is feasible under the conditions stated.

Regarding the lowest salary at which junior clerks should enter the service, for routine or clerical work the consensus of opinion is that it should not be less than $75 per month or from $900 to $1,000 per annum.

Mr. MAY.—An ordinary labourer gets from $2.50 to $3 per day for an eight hour day locally.

Mr. OSBORNE.—The city are paying $2.50 as the lowest figure for labour. I can get men at $75 per month.

Mr. LAKE.—What salaries do the provincial officials receive?

Mr. RICHARDSON.—They start at $900 per annum.

Mr. CAIRNS.—Some clerks are leaving the dominion for the provincial government service on account of better salaries.

Mr. LAKE.—What are the municipal clerks receiving in the way of salaries?

Mr. McDONALD.—They start at about $65 per month.

Mr. LAKE.—Should there be an annual increment?

Mr. OSBORNE.—The practice of giving $50 per year in the Customs Department is a very great inducement to keep men on the staff.

Mr. CAIRNS.—I think increases should not be less than $100 per year on account of the long period required to reach the maximum.

The meeting in general agreed with the amount suggested by Mr. Cairns and that the increase should be given annually on the recommendation by the head of the branch that the duties have been satisfactorily performed.

Mr. LAKE.—Can you give me your experience in the matter of retaining young men?

Mr. MAY.—Regarding my staff of a year ago, fully seventy per cent are gone and it was not the poor men who left or could be spared, it was the men in responsible positions in the office who were offered higher pay by commercial concerns outside. This interferes with the satisfactory operation of the business of the department locally, especially in view of the great increase in work and the result is that the public is suffering. Under present conditions it is impossible to give good service to the public for the reason stated. The distance from here to Ottawa makes it very difficult to get relief when required, both in regard to staff and also equipment such as offices fictures, letter carrier racks, &c. Equipment applied for four months ago I have not yet received. It is unfortunate that the postmaster is so much a figurehead and is not allowed more discretion in the operation of his office instead of having to refer matters to some official in the east.

Mr. LAKE.—Have you any suggestion to offer as a remedy?

Mr. MAY.—I think if there were an assistant postmaster general for western Canada it would bring relief.

Mr. CAIRNS.— Until a few months ago when the salaries were adjusted it was almost impossible to retain junior clerks which caused disturbance in the service given to the public.

Mr. NORQUAY.—During the last month a trained clerk on my staff resigned.

Mr. McDONALD.—I have lost several whose pay has been from $60 to $75 per month.

Mr. RICHARDSON.—A junior clerk in my office gets only $2 per day for working days and this is inadequate, he is on the permanent staff.

Mr. DYER.—Suggest a fair living wage, permanency in office and retiring allowances as a means of keeping men on the staff. "Speaking personally, I am satisfied with the retirement fund as under it I can get what I have put in with interest thereon."

Mr. LAKE.—Have you any suggestions in regard to retirement and superannuation?

Mr. CAIRNS.—I think the old superannuation is the best system if some provision were made to provide that the widow or family of an employee should get something as in case of the retirement fund. In the service a man cannot take his family into it, while in commercial life a man can leave them the possibility of carrying on the business or drawing something out of it.

Mr. DYER.—I would not favour superannuation unless it were placed upon a better basis than the present system.

Mr. LAKE.—Many civil servants have told me that they regret having decided to take the retirement fund instead of the superannuation fund.

Mr. CAIRNS.—The service should stand out for the old superannuation system amended to provide for a man's dependents in case of his dying in office. We should make ourselves clear on this matter for the benefit of the Commission, so that they shall know what we want.

Mr. NORQUAY.—I favour superannuation with the provision for an annuity to the family in case of death of the employee while holding office.

The consensus of opinion of the meeting was therefore, that a superannuation system on the basis of provision for a man's family when he dies in office, would be more desirable than the retirement fund.

Mr. LAKE.—Would it be desirable for all entrants to the service to have to contribute to such a superannuation fund? A. All, yes.

Mr. LAKE.—In case of a superannuation system, at what age should a man be compelled to retire?

Mr. MAY.—I think a man should be retired when unable to give good service, as some men are able to continue giving good service much longer than others.

The view of the meeting was that at 65 years of age men should be retired from the service.

Mr. LAKE.—There is such a difference in the conditions under which clerks work in the various departments, that I should like to have your views on the subject.

Mr. CAIRNS.—When I went to Winnipeg everyone got an allowance of forty per cent. This was continued for years until there was depression, when this was reduced to twenty-five per cent and later on those receiving higher salaries lost it entirely, excepting up to $1,200.

Mr. OSBORNE.—In the Customs Department we are paid a straight salary without any provisional allowance.

Mr. RICHARDSON.—In the Inland Revenue there is an allowance of $150 per year.

Mr. MCDONALD.—There is no allowance in the Telegraph Branch of the Public Works Department.

Mr. CAUCHON and Mr. CUNNINGHAM.—There is no allowance in the Engineer Branch of the department either.

Mr. NORQUAY.—We have no allowance in the Dominion Lands Branch of the Interior Department; we are paid a straight salary.

Mr. LAKE.—Now regarding vacation?

Mr. NORQUAY.—We get three weeks.

Mr. CUNNINGHAM.—After two years' service, and when on the permanent staff, we are entitled to four weeks in the Engineers' branch.

Mr. HASKELL.—I am on duty from 12 a.m. to 12 at night, and never have any vacation at all.

Mr. CAUCHON.—I am not allowed any vacation: I have received it once only in twenty-three years.

Mr. DYER.—We desire to have three week's continuous vacation instead of under the present system of making us take it in two terms each year.

Mr. MCDONALD.—The department allows three weeks per annum with pay, and if not taken for two years we may be allowed a month or six weeks.

Mr. NORQUAY.—In our department we are allowed two weeks' sick leave for which we are allowed to pay: but no longer period. I cannot state a specific case where this applied, but in Winnipeg I remember a case where the pay was deducted when the period exceeded two weeks.

Mr. CUNNINGHAM.—Neither our elevatormen or caretakers nor their assistants get any holidays at all.

Mr. LAKE.—What are the initial salaries for clerks entering this service?

Mr. MAY.—In the Post Office Department the initial salary is $680.

Mr. OSBORNE.—In the Customs they come in at $900 per year.

Mr. NORQUAY.—In our branch men start at $65 per month and lady stenographers at $50 per month.

Mr. CUNNINGHAM.—In our branch stenographers start at $600 and $700; the draughtsmen and survey men start at from $1,100 to $1,200 per annum.

Mr. CAIRNS.—Clerks in the post office inspector's branch come in at the same rate as in the Post Office.

Mr. LAKE.—Now in regard to the increased cost of living?

Mr. MAY.—I am paid on the same basis as a postmaster in the east and do not see the fairness of this as we are not allowed any living allowance; it also applies to the assistants.

Mr. CAIRNS.—The same conditions prevail in regard to the post office inspector.

Mr. LAKE.—How do men in charge of commercial business as superintendents compare in salary with government chiefs?

Mr. MAY.—They get at least 40 per cent to 50 per cent higher salary than I do.

Mr. OSBORNE.—The same thing applies in the case of the Customs.

Mr. CAIRNS.—The managers of large loan companies receive a much larger salary; as also the bank managers and superintendents of insurance companies.

M. DYER.—*Re* increased cost of living, I would state that the cost has greatly increased. I present the figures of the local paper of 1905 and 1912 as follows: which shows retail prices, as marked.

Mr. CAIRNS.—Regarding rent, it is higher here than in either Winnipeg or Calgary. It is not only high but you really cannot secure houses even at the high rent. The price of lots here is higher than in Calgary and the rent for houses is also much higher.

Mr. CUNNINGHAM.—In Calgary I paid $35 a month rent, but the rent went up to $40 about two months later; then on coming here for the same house but a little farther out I paid $60 and it had neither water nor sewer, but these have since been installed. For the same class of house at a greater distance from the centre of the city I pay $60 as compared with $40 in Calgary. For coal in Calgary we paid $8.50 to $9 a ton; while here it is $4 to $4.50 for the same class of coal. For coal which cost $13 per ton in Calgary we would pay here $7. Green groceries are higher here than at Calgary. At this season of the year, when local people bring stuff to the market you can get some articles at lower prices but you cannot do so with imported vegetables.

Mr. MAY.—I can buy vegetables at 50 per cent less than at Calgary.

Mr. CAIRNS.—Mr. Cunningham is right about vegetables, but the local vegetables are really cheaper when they are brought into the market.

Mr. LAKE.—What is really the increase in cost of living in Edmonton during the last five years?

Mr. MAY.—Fifty per cent would fairly represent the increase in the cost of living during the last five years.

Mr. CAIRNS.—Clothing has greatly increased in cost. For instance a suit costing $26 here would cost $16.75 in Saskatoon.

Mr. MAY.—Coal that cost $3 a ton five years ago, now costs $4.50 to $5.

The general view of the meeting is that the cost of living has increased fully fifty per cent during the last five years, which was considered a very conservative estimate.

Mr. LAKE.—Can you give me some information to show the increase in business during the past five years?

Mr. CAIRNS submitted a statement *re* increase in postal service.

Mr. DYER submitted a statement *re* Customs Department increase.

Mr. MAY.—For the whole fiscal year 1905-6, the stamp sales in the post office amounted to $25,494.03 and for the month of July, 1912, $12,629. Money orders issued for the whole fiscal year 1905-6, totalled $96,461.66, and for the month of July, 1912, $89,524. Money orders paid for the whole fiscal year 1905-6 amounted to $18,940.76, and for the month of July, 1912, $76,390. Registered articles mailed for July, 1911, amounted to $8,000, and for July, 1912, $11,760. Registered articles passed through in July, 1911, $3,823, and in July, 1912, $6,080.

Mr. NORQUAY.—I think we should use a book of instructions as to furnishing answers to questions on departmental forms, the same as is in use by the Canadian Bank of Commerce.

Mr. DYER.—In regard to departmental rulings in the Customs Department, I think if they were published periodically for use of the port staffs, it would be a great help in carrying on the work at the ports and the outports. I think these should be compiled in book form for reference.

The meeting then adjourned at 5 p.m.

SASKATOON, August 15, 1912.

Note of statements made by Mr. Hiseler, assistant postmaster, Saskatoon.

In reply to questions by Mr. Commissioner Lake, he stated:—

Out of a staff of forty-three we had some thirty resignations during the past eighteen months, showing the great difficulty in retaining employees in that service. I have been in the service at Saskatoon nearly two years, having been transferred from Nova Scotia. There is a great difference in cost of living as compared with the east; it costs about $20 per month more than in Nova Scotia at the time I left there. Mr. Isbester has been postmaster since 1906. When he took office the revenue was $9,000 per annum, and it is expected that this year it will reach $125,000. The reasons for the resignations on the staff is due to the much better salaries which can be secured in outside employment. Here also we have to take men of greater age than in the east where young men start in and make it their life work. Most of our applicants come from the old country instead of from Canada—the native Canadian really favouring commercial or industrial employment. I think that a system of superannuation coupled with better salaries would be helpful in retaining the services of employees on the staff.

Mr. Ross, of Toronto, general superintendent of post offices, called at this office in July last and authorized the employment of seven additional letter carriers and six clerks.

Generally speaking, the men work nine hours per day and about the same at night shift. On Sundays they work about four hours on an average. When doing Sunday work they are really doing seven days work per week. All clerks, except the money order clerk, are subject to seven days employment each week. The initial salary on appointment is $500 with $180 provisional allowance and three weeks sick leave.

Notes of statements made by Mr. John Chamard, post office inspector.

"I came here in 1908 and we had 315 post offices served by this district; to-day there are 727 offices. We have at present authority for the establishment of twelve additional offices.

"I have a staff of two assistants, two male clerks and four young ladies. We have no difficulty in keeping assistants who are well paid, but have difficulty in keeping the junior clerks who won't remain at the salaries which have been paid—although the amount now allowed is having a better effect. Now they get $626 plus the provisional allowance of $180 per year. They can do better outside than in the service here. I think it would be much better to have a superannuation system as a means of retaining the employees in the service; it would be better than the retirement fund as it would be a greater inducement to stay.

"Six clerks have left the service during my four years, for the purpose of bettering their salaries. Practically every retail store in Saskatoon closes down on Wednesday afternoon without docking the pay of the clerks. The banks, however, do not close that afternoon. At Prince Albert the public suffers, because the postmaster cannot get his men to work at night, so the mail is late in distribution and delivery next day.

"In the Saskatoon post office, Mr. Hiseler must handle about $10,000 daily and gets $75 per month salary. The postmaster pays him $8.33 additional per month out of his own pocket in order to keep this young man; and I have reported that to the department myself, as per copy of my letter addressed to the deputy postmaster general under date 22nd June, 1912. He also pays to three other clerks various amounts out of his own pocket to hold them in the service.

"Three clerks in the Prince Albert Office receive $1,080 per annum, including provisional allowance, although the revenue is only $1,200 per annum and the population 9,000. This is unfair compared with Saskatoon with a population of 25,000, and the postmaster gets the same salary in each place.

"Suites in apartment houses rent from $50 to $85 per month, and for a single room a man pays $18 a month. Two school teachers in a room together pay $10 each per month. Meal tickets cost from $7 to $8 per week."

SASKATOON, August 15, 1912..

Mr. R. Foster, assistant to the collector of Customs, Saskatoon, gave the following information in reply to questions by Mr. Lake:—

"I have been four and a half years in the service, two years of which was in Regina. The whole of my experience has been in the west.

We have had only one man leave the office, and he went into the customs brokerage business. No others have left our staff.

A smart young man can go out and get from $4 to $5 per day for carpenter work."

Mr. Foster submitted figures showing the collections at Saskatoon and also a statement of the staff with the amount of their salaries.

HEADS OF DOMINION GOVERNMENT SERVICES AT REGINA.

REGINA, Saturday August 17, 1912.

Present: Mr. R. S. LAKE, Commissioner.

Mr. Lake received a deputation of the heads of Dominion government service, as follows:—

S. B. Jamieson, collector of customs; J. Nicoll, postmaster; D. Tamblyn, chief of health of animals, Department of Agriculture; J. Jopling, assistant to clerk of public works; J. R. Gayton, Dominion Lands agent; F. H. Reed, representative of the Seed Branch, Department of Agriculture; H. J. Cross, Customs Department; J. S. Hornibrook, Customs Department; F. Argue, post office.

Mr. LAKE.—In your opinion should the outside service be thrown open to competition? If so, can we get the men to go in for the examination and can we get good men to enter the service in that way, providing the conditions are all right? What do you think, Mr. Jamieson? You have had the longest experience.

Mr. JAMIESON.—You asked can we get students to compete or to enter into an examination; I think that is what I understood you to say. In connection with that, from what little experience I have had, I doubt whether you could get a full percentage of those who want to go into the service, to compete. In my own office the question has come up about writing and passing the Civil Service examination. One of my men, for instance, I put the question to him and asked him if he did not think it would be to his benefit and he said: "No, I don't think it is worth while; what is there in it for me? The salary is so small, there is no inducement for me to study and pass that examination." There are others belonging to my staff who said 'Well, I am going to have a try and pass that examination,' Mr. Cross studied and wrote on the Civil Service examination and passed. Mr. Shaw has also passed his Civil Service examination. It seems to me that the question of salary would be an inducement as to whether men would think it worth while to pass the Civil Service examination at all. If the salary and prospects are an inducement, then I think, no doubt, that a great many would take the examination.

There is another thing I would like to mention; I don't know whether it bears. I would like to make a statement that from past experience, not only in the matter of customs work, but in the matter of teaching, the man who sometimes takes the highest marks is not the most successful in the work. If the majority of my staff here depended on the actual standing, from a competitive examination, it is just possible that the man with the highest marks would be the nearest to failure at office work.

Mr. LAKE.—I am referring to competitive examination as the method of selecting men for their first entry into the service.

Mr. JAMIESON.—A great many men who make first class office men, would probably be closed out, if they had to depend on competitive examinations. On the other hand, I suppose some would take them up with advantage as it would remove the Civil Service from the realm of politics.

Mr. LAKE.—You think there are other ways better than competitive examination? Can you suggest any?

Mr. JAMIESON.—A few years ago I had a man put in the office here practically as a man who had to have a job. He gave his age in to me at 52, and I am sure he was 65, if a day. He was unqualified for the work. Fortunately, death removed him from the office. On the other hand, I have had men appointed here who were

not qualified for the work of the office. One man was placed here, recommended for the work by some person. He was not fit; a drunkard and a thief, but I will say this, that within the last year or so these things have changed very greatly in that respect, and if an appointment is to be made, the instructions come to me "If this man suits you and you think he is qualified, then give him the position." By that means, I have been in touch with men appointed for my office, before they were appointed and have been in a position to size them up and know whether they are qualified and on any appointments that have been made for the last year and a half, they have been referred to me for my opinion as to their capability. That gets over a good many difficulties. I would not like to suggest that we were in the hands of patronage.

Mr. LAKE.—Unless you throw it open to competition is it not bound to stay as it is?

Mr. NICOLL.—I think it would work all right, if there was some inducement to try and write, but not to write on an examination at $500 a year salary.

Mr. LAKE.—Do you think it would be better to continue the present system?

Mr. NICOLL.—I think that is the preferable way. As far as I am concerned, personally, I have no objection to the way it has been done. Mr. Jamieson says, since I have been in the service, these men come to me with a note, stating they can be recommended and can pass an examination. That is the condition there and before I take any man into the post office, he passes an examination and I am satisfied he is able to do the work we ask of him under the conditions. We take the best we can get; they are not the best, because the salary does not draw them into the service.

Mr. LAKE.—If every young man who came to this city knew that there were going to be a number of vacancies in the post office and that he had just as much right as any one in the country to compete for them, and that if he were successful he could get one of those vacancies; providing the positions were made good enough, would you get the men to go in for the examination?

Mr. ARGUE.—I would prefer open competitive examination. I believe it would depend on the inducement being satisfactory, and by open competition you would get a better class of men and one more suitable.

Mr. REED.—I think it would be better to have men qualify by examination.

Dr. TAMBLYN.—I am quite in favour of it, but the men obtained by the Civil Service examinations are not always satisfactory. Many of the men who pass the examination at entrance, fail in their dealings with the public and become more or less useless in connection with the departmental work. In obtaining veterinarians in this province, it would all depend on the inducement offered by the department. I approached men at the Veterinarians' Convention last month and asked them about coming into the department and not any were anxious to come. We are supposed to enter this department at a salary of $900, after making $6,000 or $7,000 a year in outside practice.

Mr. HORNIBROOK.—A man might be a few years past thirty and it would be hard for him to try the Civil Service examination, but any department where it requires office work, he might fill as well as could be. Is it not a fact that there are not as many people trying examinations as there are positions vacant throughout the country, for any kind of government position?

Mr. LAKE.—I think they have enough candidates for the inside service.

Mr. HORNIBROOK.—In a large service how do they get capable men? They advertise, they don't give any place, they just advertise for a certain man for a certain position. If they would do away with the examination, the head of the department requiring a staff could advertise for the staff he wanted, and applicants might reply

without giving their address and he could go over the applicants and pick out the ones he thought would suit.

Mr. JAMIESON.—In case of a competitive examination for the whole Dominion, would they set the same papers for all? Supposing I want more men in my own office and half a dozen men from Regina have passed the Civil Service examination, probably in some other part of the Dominion there would be men who had passed with higher marks; would it be that my selection would have to be made from those passing the highest, whether the party was located in Regina or Ottawa? Because it seems to me that if we have local men here, who have passed a Civil Service examination, if not as high marks as some other parties, they may be turned down and some one from the east put in the office, which would be a disadvantage.

Mr. NICOLL.—If these appointments were made from those who had the highest marks in the different parts of the Dominion, it might prove unsatisfactory through delays. I have had as many as six men leave in one week; how long would it take to fill these vacancies? Would I have to wait for these? Would I have to report to Ottawa asking for them? If they would select these men by these examinations, when they get the appointment and report for duty?

Mr. REED.—In regard to temporary men at Christmas: Mr. Nicoll requires temporary men. My branch six months in the year requires temporary men; some time two weeks or a month. Would those men have to take the examination?

Mr. ARGUE.—I would suggest, in case of competitive examination, that those in the west waiting on the list, be given preference to those in the east.

Mr. JAMIESON.—Another feature in connection with the work of my own branch, the very condition that enables a man to be appointed through patronage makes him unsatisfactory for the work. He should not have any political aid at all.

Mr. LAKE.—Can you give a suggestion on the question of what it would be necessary to make these appointments worth in order to get the men we want. What is the minimum salary at which you can get good men to enter the service at Regina? Any branch.

Mr. CROSS.—That is the great question in regard to the Civil Service. It depends a great deal whether a man is single or married. A great many who enter here are married men; quite a number anyhow. The age limit in the Customs service is over 18 and under 36.

Mr. JAMIESON.—There is one point in connection with the salary. I think if applicants were sure that they would get their annual increase, as is provided, that $900 would be acceptable as the salary to commence with. The trouble is that the annual increase is so frequently forgotten. If they knew that they would get it, I think that it would encourage them.

Mr. NICOLL.—In the post office providing the clerks pass the prescribed examination, they get an increase. If they do not, they can write again in one year. Up to $800 the annual increase is $100, and after that $50.

Mr. LAKE.—In the Lands Department do they get an annual increase?

Mr. GAYTON.—No. This last two or three years they have been getting $780 salary per annum.

Mr. LAKE.—What is your opinion as to what the minimum should be?

Mr. GAYTON.—I think that $900 should be the initial salary. I know that a number have left on that account. They can get it in other places and it is almost impossible for a young man to live on less.

Mr. NICOLL.—I think it should not be less than $900 a year. We find that they leave on the present salary. I had a clerk in the post office, well educated, who came

to me to-day and said "I like the work, but I am going to leave on the 1st September." Salary too small, $680.

Mr. LAKE.—Could you keep him on $75 a month?

Mr. NICOLL.—I think so.

Dr. TAMBLYN.—We have an annual increase of $100. From a professional point of view, I think it would be better if we could raise the minimum salary to $1,500 a year.

Mr. LAKE.—Technical branches have to be dealt with on a different basis. We are now considering the ordinary clerkships.

Mr. CROSS.—On $900, men would stay longer in the service, get better experience all the time, and not be calling for a better job all the time. $900 as a minimum and stated increase of $100 every year, I think you could get a better class.

Mr. LAKE.—With a stated increase of $100 a year, up to a certain figure? Do you not think $50 would be sufficient?

Mr. CROSS.—$100 increase every two years; a man begins to be a pretty valuable man, if he has any go at all.

Mr. REED.—Our men are all technical men who have mostly passed the Civil Service examination.

Mr. LAKE.—It seems to be the general opinion then that $900 is necessary to get a man of the right class into the service?

Mr. NICOLL.—As far as the post office is concerned, I can certainly say that. I had a letter carrier whose salary was the same as the man who handled cheques, $90 per month.

Mr. LAKE.—How many changes have there been in your office?

Mr. NICOLL.—In July, 1911, we had a staff of 35, and in July, 1912, 18 or 20, or about half were still in the service. During the past year our staff has been increased to 60; that means about 70 or 75 per cent of inexperienced help and about 25 per cent of experienced help, and that is what we are running the office on. I do not believe there is a time in any year that we do not have vacancies on our staff. Men are leaving to better themselves. It is impossible, under the conditions, to give good service to the public. We try hard, but the inexperienced men are getting us into trouble all the time.

Mr. LAKE.—Do you think there should be similar treatment for all services in regard to provisional allowances, payment of bond premium, and vacation, and so on?

Mr. NICOLL.—Yes. We find a great many men do not want to come into the post office, on account of the long hours, and night and Sunday work. Over half of our clerks must work at night, on account of our mail, and no allowance is made for the man working on holidays, Sundays, &c., he gets $500 a year and if he is called upon at any time, he has to do it.

Mr. LAKE.—I think if a man is working in the Customs Department several hours in the night, he gets pay for it?

Mr. JAMIESON.—Yes, sir.

Mr. LAKE.—Can anybody say what the provincial government here gives their clerks when they first enter the service?

Mr. CROSS.—Varies quite a little according to age. Young fellows I believe get $60 per month or $720 a year, and a great many get more than that.

Mr. LAKE.—Then as to another method of retaining good men, when you got them, I suppose you all agree that the possibility of promotion should be open to anybody?

Mr. CROSS.—A very great inducement.

Mr. LAKE.—That brings up the question of a promotion examination. Do you think a man should be called upon to pass a second examination of a literary nature?

Mr. CROSS.—I cannot see why a literary examination is any good at all.

Mr. GAYTON.—In our department, if he passed a first examination, that would be sufficient, if he made good at all.

Mr. LAKE.—Do you have any examination at all.

Mr. GAYTON.—No.

Mr. JAMIESON.—In my own office, when men advance in years, if the salary was suitable and fair, an annual salary of $900, with an annual increase, I am satisfied that young men in my own office would take the examination, just for the standing of it, but for most of the men of older years, I think between 35 and 40, it would be a very difficult matter for them to bring themselves to prepare for an examination.

Mr. LAKE.—Should there not be some examination for promotion?

Mr. NICOLL.—I think it should be an examination on the duties of the office, but I think he should pass his Civil Service examination before he is taken on the staff. I think he should pass an examination on the duties of the office, before he receives any increase in salary.

Mr. LAKE.—Should that be the only examination, examination on the duties of the office?

Mr. NICOLL.—I should say, yes.

Mr. ARGUE.—I think that would be satisfactory.

Mr. HORNIBROOK.—On the duties of office—it would be all right after he gets to be on the service, but a literary examination I do not think should be required at all. He prepares for the Civil Service and he passes: after that I think the examination should be on his office work.

Dr. TAMBLYN.—The greatest trouble is on passing an examination in my department. The man says "what is the use of passing the examination?" He does a great deal of work; with no increase of salary, and no inducement at all. Unless he gets to be chief clerk, I do not see the use of the examination myself.

Mr. LAKE.—The examination is to show that he is competent to fill a vacancy, I presume?

Mr. ARGUE.—I propose that most of those examinations should cease after a certain age.

Mr. LAKE.—What other inducements would you suggest as a means of retaining men in the service? What about the question of retirement and superannuation?

Mr. NICOLL.—I think superannuation is an inducement to retain men in the service after they start in. They do not like to let the superannuation go after they enter the service? The retirement fund does not hold out much inducement. It might be all right with the eastern part of the country, but not with the western part.

Mr. LAKE.—Would you sooner pay that amount into the superannuation fund?

Mr. NICOLL.—Yes.

Mr. LAKE.—Do you think it would be a good thing to insist on every new employee contributing to that fund?

Mr. NICOLL.—Yes, just as he now does to the retirement fund.

Mr. GAYTON.—The Lands Office do not have to pay that that I know of.

Mr. ARGUE.—I think it should be left to the choice of the people coming in, regarding both superannuation and retirement.

Mr. LAKE.—On general principles, would a contributory superannuation system be acceptable to those present at this meeting? A. Yes.

Mr. LAKE.—In regard to the age of retirement, what is your opinion?

Mr. NICHOLL.—I think a man should be retired when 65 anyway.

Mr. NICOLL.—I think a man should be retired when 65 anyway. would not wish to be considered a back number yet, but I think that is a fair time of life, 65.

Mr. LAKE.—How do the salaries of the senior officials compare with the salaries which are given in private institutions?

Mr. NICOLL.—As far as the post office is concerned, I do not think they are as good. I made a memo. showing the number of clerks and the salary paid to them in the post office. Starting at the highest: There are 3 clerks paid $900, with $180 provisional allowance additional; there are 2 paid $800 a year: there are 5 paid $700 a year: there is one paid $704 a year; there are 11 paid $626 a year; there are 19 paid $500 a year. They have duties of considerable responsibility.

Mr. ARGUE.—About three thousand dollars in actual cash passes through my hands every day. I am the accountant. I make out pay sheets and pay all the cheques.

Mr. NICOLL.—I have a man in the money order getting $600 a year, who handles from $5,000 to $10,000 a day.

Mr. LAKE.—How much bond does he give?

Mr. NICOLL.—$200. He has to pay for that out of his own pocket. Another clerk who does all the banking gets $800 a year. One thing in the post office I do not think is right, a man handling $10,000 a day; there is no difference between him and a man handling newspapers.

Mr. LAKE.—You think the salaries should be attached to the offices and not to the men?

Mr. NICOLL.—Yes, I think so. There is no doubt that a man handling that money every day during the year must be short some.

Mr. LAKE.—Junior clerks merely receiving the salaries attached to the position of junior clerk are filling high and responsible positions, which in older offices would be given to older men at higher salaries?

Mr. NICOLL.—Of course business has increased so fast here that we have not been able to make clerks fast enough. We require as the business increases, to make different departments and place somebody in charge of these departments, because it is impossible for the postmaster to keep in touch with the business we have now, although possibly a few years ago he could. If we could keep our clerks, we could make them as we go along and supply our own vacancies, if the pay given to the juniors was such that they would stay, but under the present conditions, there is and 2¾-inch x 11-inch rabbatted bottom rails, and 4-inch x 1¾-inch braces, all stop these competent men, so that we could give efficient service.

Dr. TAMBLYN.—A clerk in my office getting $60 a month was given $125 per month to go outside.

Mr. LAKE.—As a rule Mr. Jamieson, do commercial men give better pay?

Mr. JAMIESON.—I think it is a common occurrence for men to get $100 in most any office outside. I know of clerks getting that in the city and it is looked upon as a very ordinary salary.

Mr. LAKE.—Generally speaking, men employed on similar positions are receiving higher salaries?

Mr. JAMIESON.—Yes.

Mr. GAYTON.—I think that is the case in our department, though this last two or three years our staff has decreased: our men have left from time to time for offices in the city for better pay. Generally the best men go, they can get better salary and less responsibility.

Mr. LAKE.—How do your salaries compare with say the bank managers, secretary board of trade, &c. Would you like to make any remarks on this subject?

Dr. TAMBLYN.—For my part, I would say that when I came here from Vancouver on $1,700 a year. I found it absolutely impossible to make my living expenses in Regina, paying $40 a month rent, and comparing my salary with outside veterinarians, I found that they made as much as $6,000 a year. I am receiving $2,000. The minimum practice I know of in this province is about $3,000 for a qualified veterinarian. Dr. Fletcher of Strassburg had a practice of about $10,000 in the vicinity of Strassburg last year. He collected some $6,000 in actual cash.

Mr. LAKE.—Some must make very little indeed.

Dr. TAMBLYN.—Nearly all in this province have a minimum practice worth $3,000. A great many of our government men go off into private practice, rather than stay in the government.

Mr. LAKE.—As far as you know, what do bank managers get?

Mr. NICOLL.—I think about three or four thousand a year and free quarters.

Mr. LAKE.—Do they get a western allowance?

Mr. NICOLL.—I think they get more than in the east and free house. The manager of the Trust & Loan company, I think gets $3,000 and free house and furniture. Free auto and a whole lot more things.

Mr. LAKE.—Can you mention any other businesses who are getting that?

Mr. NICOLL.—Manager of the International Harvester Co., gets in the neighbourhood of over $5,000 a year and a commission on the amount of business he does.

Mr. LAKE.—Can you say generally what the range of salaries to bank managers is?

Mr. CROSS.—I am sure $2,500 up to $4,000. The lowest one I know of is $2,500.

Mr. REED.—In a local loan company their accountant gets $2,500 and their inspector $2,100.

Mr. LAKE.—How about the cost of living? Any man who has come recently from the east would probably know the comparisons in rent.

Mr. ARGUE.—I came here in April from Toronto. There I could get a good room for $10 and I would pay $16 here. My board would be $4 there a week and here $6.50. For $16 a month a room does not compare with the $10 room in Toronto, but you have to take it. Good board there for $4 or $4.50 would cost you $6.50 here and then it is only of moderate quality.

Mr. LAKE.—In regard to other things?

Mr. ARGUE.—Toilet articles are dearer. Boots $2 to $2.50 more than in Toronto. Clothing is about $5 more a suit than in Toronto. A $25 suit in Toronto cost me $30 here.

Mr. REED.—The fuel. When I was in Ontario—

Mr. LAKE.—When you came three years ago, did you find a difference then?

Mr. REED.—I estimated about 40 per cent more here than in Lindsay, Ontario; of course you get it cheaper there than in Toronto, for instance. Coal costing $6 or $7 per ton delivered in the east would cost about $10 or $12 here.

Mr. LAKE.—Were you a married man?

Mr. REED.—Not at that time.

Mr. NICOLL.—Rents are about double.

Mr. JAMIESON.—A very common house you can get for $45 a month.

Mr. LAKE.—In regard to the increase in the cost of living in Regina?

Mr. CROSS.—Three years ago rent that was then $35 a month would be easily $50 a month now.

Dr. TAMBLYN.—I came two years ago. I paid $50 a month; now $60, and of course I transferred then to a shack; could not afford it.

Mr. HORNIBROOK.—I have been trying to get a house for two months at $45. I have had an advertisement in every day this week and put another one in yesterday and have had no reply.

Mr. REED.—When I came here three years ago I paid $12 for a room that is renting now for $18.

Mr. GAYTON.—We pay $80 rent for a furnished house and the same house you could rent easily for $50, 3 years ago.

Mr. LAKE.—When did you come out Mr. Nicoll?

Mr. NICOLL.—I came first on the first of May, 1903. The only house I could rent in Regina was a house next to the old post office. I got that in the fall after waiting all summer and when the cold weather came on, we could not live there. I got a cottage opposite the English church, without any cellar or foundation and paid $15 a month for it. That has since rented for $30 a month. It is almost an impossibility to get a house or rent a room.

Mr. JAMIESON.—I think in the last eight or ten years rents have practically doubled.

Mr. GAYTON.—I think rent has fully doubled in the last ten years. At that time, the people I stayed with paid $15 a month rent. You could not rent the same house to-day for $50 I am sure. Ten years ago I paid $20 for board and room; to-day not under $45.

Mr. LAKE.—Do officials have to rent part of their houses?

ALL.—They could not live if they didn't.

Mr. CROSS.—Practically the only way any one can live is to keep two or three roomers.

Mr. LAKE.—That means that the mistress of the house has to do the work of the house and keep the rooms in order?

Mr. NICOLL.—Means extra work for one's wife.

Mr. CROSS.—It means that it is not a home. This is a general statement of housekeeping—rent, coal, wood, bread, milk, fish and groceries, sugar and flour, $107.99 per month. Very moderate for a family of myself, wife and three children.

Mr. JAMIESON.—I could not possibly carry my family over on the same.

Mr. CROSS.—Boots and shoes, &c., and clothing, $300 per year. Incidental expenses about $200; life insurance, $121.90, whole thing amounts to $1,984.20 a year. If I did not own my own house, I would have to get out of town. Of course I put that rent in, but I do not have to pay the rent, except to myself.

Mr. LAKE.—What is your salary?

Mr. CROSS.—$1,200 a year. It was $1,000 till about April.

Mr. ARGUE.—I think we should take in amusements as incidental. An average cost for a man like myself is 50 cents in the east, $1.50 here. Small shows double price. A good show $5.

Mr. JAMIESON.—Any man in any business here to-day has got to pay so much to his church, so much for social functions, he cannot get out of it; he is looked upon as com-

mon property for every donation and it runs up from $150 to $200 a year. I also happen to know something about sickness the last two or three years. If a man has to spend $200 or $300 a year on sickness, he has got to get along just the same. These are questions outside of the ordinary salary.

Mr. GAYTON.—In connection with sickness; one of our men has been off now 6 months next week; a big part of that time he has been in the hospital. He has been in the service since January, 1905, and his house was one struck in the cyclone. He got his salary for his three weeks annual leave and two weeks sick leave, and since then nothing. It is quite a hardship for him as he is only getting a small salary. I believe he made application for some remuneration, but has not had any yet. His house was not a total wreck, but I should judge—well, there were just four walls left and the furniture all damaged. I would not expect he could repair it for less than $1,200 at the very lowest.

Mr. REED.—His wife would have a doctor's bill, too. She was injured by the cyclone.

Mr. NICOLL.—I lost one of the best clerks I ever had. He was only temporarily in the service. He was killed outright. It cost me $800 to fix my own house on Lorne street.

Mr. REED.—It cost me about $250.

Mr. JAMIESON.—One of my men lost all his furniture. I don't know whether the city is contributing something to a matter of that kind, to replace it or not.

Mr. LAKE.—What has been the increase in business in Regina?

Mr. NICOLL.—March 31, 1906, the post office revenue was $37,510; the last year, $126,000; from the 1st of April of this year, until the 31st of July (4 mos.) our increase in stamp sales in $20,000, comparing with the same months last year.

Mr. LAKE.—Now in the Customs.

Mr. JAMIESON.—Five years ago—1907-1908, the receipts were $312,712. In 1908-1909, $283,420; in 1912, $844,981. The first years were including the outports; last year, just Regina alone. Our receipts this year should be $1,000,000 for the city alone.

Mr. LAKE.—How has your staff increased?

Mr. JAMIESON.—7 of a staff in 1908, and 13 of a staff in 1912.

Mr. LAKE.—Is there any other matter any one would like to bring up?

Mr. ARGUE.—Shorter hours in the post office. We work on an average of 9½ to 10 hours a day; night a little less average of about 8 hours at night. No provision for a half holiday or public holidays; work the same. Working about 24 hours a day at Christmas.

Mr. JAMIESON.—Our hours outside are from 8 to 6. We close at four, but work till five in the office.

Mr. ARGUE.—I think clerks should be paid extra for special work at Christmas, &c.

Mr. JAMIESON.—I think that officials in the Customs should be paid the same salaries as officials in the post office or any other department. Salaries should be uniform and I think that while there is a provisional allowance for one department, there should be in another. There is nothing in the Customs.

Mr. LAKE.—Customs salaries have been increased all through the Dominion. The increase was the same, was it not? Was there any difference between the east and the west?

Mr. JAMIESON.—Not that I know of.

Dr. TAMBLYN.—The inspectors have had a western allowance, yet the clerks do not have it. I suggest that it extend to the clerks of this department as well.

Mr. REED.—Dr. Tamblyn and I are under the same department, and no allowance is made to my branch.

Mr. LAKE.—Are there any officials in the east in the outside service? Where are they situated?

Mr. REED.—Yes, one in Ontario, one in Quebec, and two in the maritime provinces. Our man at Calgary receives exactly the same as our man at Quebec.

Mr. LAKE.—In regard to the annual increase of salary, that should be a regular increase to which the employee is entitled, providing his work is satisfactory to the head of the branch, the initiative should not be left to the head of the branch to recommend any one for such increase. Is that your view?

ALL.—Yes.

Mr. CROSS.—The present system is that you do not know whether you are going to get one or not.

Mr. NICOLL.—In giving that allowance, it should not be $180 in one and $200 in another.

Mr. JAMIESON.—In connection with my own staff, there is no provision made for vacation for the temporary staff. Most of my men are temporary. Nine out of the thirteen are temporary employees. If they receive a holiday, there is no provision for paying them.

Mr. LAKE.—How long are they allowed to remain temporary?

Mr. CROSS.—They have to take the Civil Service examination after three years.

Mr. LAKE.—If a man does not take the Civil Service examination within three years he has to retire?

Mr. JAMIESON.—No, he is still a temporary man.

Mr. NICOLL.—A man who is taken on in the post office must take the Civil Service examination in one year, or leave the department.

Mr. REED.—The system of appointments to educational work is unfair and unreasonable; because men qualified by political service, only are recommended for this work. You cannot carry on an educational campaign with politics.

Dr. TAMBLYN.—In connection with the salaries of veterinarians of the Health of Animals Branch—I mean in the field work. The great question is that unless we pay our men sufficient salaries to keep them satisfied, they are looking for some side issue and their government work is a secondary consideration, and we lose a lot of time. We have to get a better class of men, as our work is unsatisfactory, especially where we have to come in contact with a large number of men. It is better to employ a few men at good wages, than a number at poor wages.

The deputation withdrew.

The Commission adjourned.

CHARLOTTETOWN, P.E.I., TUESDAY, July 23, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting to-day in the office of Mr. James B. Hegan, District Engineer, Department of Public Works.

JAMES B. HEGAN, aged 66, District Engineer, Department of Public Works, sworn and examined by Mr. Ducharme:—

Q. You have been engineer since when? A. I have been engineering since 1864.

Q. You have been employed with the government since 1864? A. I have been engaged in engineering since that time.

Q. And you are district engineer? A. Yes, at a salary of $3,800. I was assistant engineer on the Intercolonial from 1869 until 1873. I was assistant engineer of public works for the maritime provinces from 1875 to 1880. From 1880 to 1882 I was not in the service of the government. In 1880 Mr. Perley was promoted and made chief engineer, and on his being removed the whole office in the maritime provinces was broken up. I was thrown out and went into the employ of the Canadian Pacific railway and was there until 1882 when Mr. Perley saw me in Ottawa and I returned to the service and the reorganization of the department in the maritime provinces. I was acting engineer in charge of public works for the maritime provinces from September, 1883 to 1888. I was resident engineer of the Public Works Department at St. John from July, 1889 to 1897. From then until the present I have been district engineer of the Department of Public Works at Prince Edward Island, residing in Charlottetown. Previous to that I had resided in St. John.

Q. As the district engineer what are your duties? A. My duties are to make surveys of works required, dredging or harbour improvements. My duties here are anything that comes under the control of the Department of Public Works. I am a resident representative of the department.

Q. You are answerable direct to the department at Ottawa? A. Yes, I correspond with the chief engineer, the deputy minister, the assistant chief engineer and the secretary of the department. For instance, I see to getting contracts signed, the secretary sends those to be signed, and afterwards for the chief engineer I see that the works are carried on according to plans and specifications.

Q. What kind of work would that be? A. Here is my annual report for last year. Besides attending to the work there is the getting up of this report which in itself takes up a lot of time. But Alberton he did the dredging.

Q. Your work consists in making the soundings where dredging is to be done according to instructions from Ottawa. Do you make plans for dredging? A. Yes.

Q. You do not construct any dredges? A. No.

Q. You attend to the construction of wharfs? A. Yes, we occasionally have some buildings to put up, not architectural work but the construction of small buildings on wharfs, &c.

Q. Do you make any repairs to dredges? A. No, that is under the mechanical superintendent. Mine is the civil engineering.

Q. You show me a plan of Alberton, P.E.I., where you did some dredging. This plan is prepared by you? A. Yes, in this office.

Q. That shows the different soundings and the different wharfs. All these details are incorporated in the report of the Public Works Department? A. Yes, I think so.

Q. You have in this report plans showing the different places where you are doing works? A. Yes. Last year we had about thirty-one works in progress.

Q. About what amount of work do you do a year? A. About $100,000.

Q. Do you revise contract prices? A. Oh, yes, everything is in detail. There is a special plan and estimate for everything.

Q. When a contract for dredging is given it is given by Ottawa is it not? A. All contracts are given by Ottawa.

Q. And you are informed of it? A. Yes, we are notified.

Q. That a contract has been given to such a party at such a price for such a place? A. Yes, we set out the work. In the first place we make a survey before the work is approved and we give an estimate. We recommend a piece of work, we exhibit plans, the plans are approved of and the work is let afterwards. When the work is let we set out the work for the contractor and measure the work for him. Then we watch the contractor to see that he does the work as specified according to directions and we make out the estimates in his favour and look after the whole thing. It is the same in the construction of a wharf or anything of that kind, we

first report on it, we afterwards prepare a plan. Four or five contracts were let for work and two contracts were let for dredging, and all that work comes under my direction. Most of the work done on the island is done by departmental dredges. But at Alberton, for instance, where there is 8,000 or 10,000 yards of material to take out, it would not be profitable for a contractor to bring a dredge for that when the department has three dredges on the island.

Q. What are the names of those dredges? A. One is the *Pownal*. She is a dipper dredge taking up a yard. She was constructed more especially for making improvements in smaller harbours, &c. Another one is called the *Prince Edward*. She is a three yard boat. She is an old dredge originally built by the Prince Edward Island Government before entering the Confederation in 1873. This dredge was taken over by the Dominion Government and has been kept in commission ever since although practically it has been rebuilt. Another one is called the *Montague*. She is a two and a half yard dredge. She can take about 36 feet depth; the *Prince Edward* can take about 32 feet and the *Pownal* about 12 feet.

Q. When you said about $100,000 worth of work did you mean that that is the contract and departmental dredging? A. No. I am speaking about my own particular work which is more constructive work. You will see year by year in the estimates here for Prince Edward Island, $122,400. That is in the estimates, the harbours and rivers appropriation. The preparation of the estimates involve a great deal of labour and care. For instance, only the other day I received a request from the department to prepare the estimates for 1912-13-14.

Q. When you ask for an appropriation of $150,000 and you only get $40,000 do you start the work the same as if the $150,000 had been voted? A. Exactly the same.

Q. When you finish the matter you start the work? A. No, the department does, the Government has the full information about that in the department.

Q. A separation of the estimate is of course a duty that devolves on you every year? A. Yes, it is the usual thing every year. The only difference is that in the last few years they have asked us for plans and description for every work which they did not do before. That greatly increases the work of this office. For several years I have asked repeatedly for a first class draughtsman. At present I have no draughtsman, my assistant does the draughting in addition to his regular work outside.

Q. All the draughting is done by your assistant? A. Yes.

Q. You consider there is too much work for only one man? A. There is no doubt about it. I have already as much work on hand as my present staff can handle, and I need a competent draughtsman to handle additional work particularly in view of the fact that the department has this year asked to have the estimates prepared by September.

Q. When you speak of $100,000 you refer to your work? A. We usually spend about $100,000.

Q. That refers to dredging? A. Yes.

Q. How much would the departmental dredging cost? A. The contract that is in progress now at Summerside is being done by the Dominion Dredging Co. This will amount to between $50,000 and $60,000.

Q. That is done so much each year? A. At 35 cents a yard.

Q. Was similar work going on last year in the same place? A. They commenced last year.

Q. It is the same contract this year? A. Yes.

Q. Who makes up the estimate of the amount to be paid to them? A. On that work the contractor is being paid by what we call scow measurement. Each scow is measured and an account taken by an inspector on the ground.

Q. Has he been there long? A. It is a new man this year and we try to inspect him. We check his work.

Q. You send your inspector to see that he does his work properly? A. Yes.

Q. In former years have inspectors allowed men more yards than they should be allowed? A. Not in this district.

Q. You know that that has been done? A. It might be done by ignorance or by design. I do not consider that the department pays sufficient wages for that class of men.

Q. Those inspectors are temporary men? A. Temporary. They really have no real responsibility.

Q. Do you not think that they should be made permanent with a sufficient salary to guarantee that they would do their work honestly and efficiently? A. I do not think they all should be. I think there should be probably one in each district available in any case required. I think it would be well to have a man, in fact I would do it myself if I had assistants, I would have one of my assistants check the inspector when he did not know it. Then we measure in situ.

Q. Have you any idea of the value of dredging? A. I have a fair idea.

Q. Do you not think that 35 cents is a high price? A. No, I do not consider it is up there for this reason. The tow is about three and a half miles, and the material is fairly hard, and the situation is such that it is not possible for the dredge to work continuously ten or twelve hours a day. Some days she cannot work at all. On a very blowy day with the wind in a certain direction she cannot work and the expenses go on all the same, coal and things of that kind. I think that the price up there is about fair.

Q. Do you know the manager of the Dominion Dredging Company? A. I met several here before the contract was taken. There was Mr. Stewart, and Mr. Dewar is their manager down here.

Q. It is the same manager as last year? A. Yes. Then there is another contract let for dredging down here at Vernon River at 24 cents a yard.

Q. Is that the only company dredging here? A. The Dominion Dredging Co. and a company called the Island Dredge and Construction Company and although they have the contract for this work down here they have sublet it to the Halifax Dredging Company. I wrote both of them yesterday on the matter.

Q. Who constitutes the Halifax Dredging Company? A. It is an incorporated company. They have taken the work and paid the other people something for getting the job. I wrote them yesterday by instruction of the Assistant Chief Engineer. I informed him about the Island Construction Company having let it and he wrote me to inform both of them that they still hold the Island and Construction Company responsible, and if they wanted to be recognized by the department as a contractor they would have to write to the secretary of the department.

Q. Do you make estimates for the contract dredging? A. Yes, I made estimates for both of them and furnished plans.

Q. What price did you put down? A. I think I put down myself in the dredging at Summerside 30 cents.

Q. But still you think 35 cents is not exorbitant? A. I put down 30 cents because at that time when I made the estimate for the dredging in Summerside I proposed doing a large amount of dredging up there and before the contract was prepared for Summerside I had a letter from the department at Ottawa saying that they could not undertake such an amount of dredging and could I not cut down the quantity some. I said I could cut it down quite an amount and we cut it down, and if you cut down an amount of work then the price for the smaller amount of work is necessarily a little larger because the contractor is at big expense for towing plant, &c. He has to be reimbursed for that out of his contract. His overhead charges are larger.

Q. What are the names of the dredges at Summerside? A. In Summerside there is the *Pelver*. Her buckets have a capacity of sometimes five yards and sometimes

seven yards. They have a lift they can put on and increase the capacity. The dredge that is going to do the work at Vernon river I do not know anything about.

Q. Do you think they should report to you? A. Not necessarily. In fact it is stipulated that when a contractor is tendering for dredging he should give both the name of the dredge he will put on the work and also the capacity and the size of the scows and all information about it. That is a matter which they handle in Ottawa.

Q. Do you think they should give you that information in order to help you check the work? A. I have it always. In Summerside they have seven pockets in each scow. I have every pocket measured and know how much each pocket contains. We know what it contains when full and for each different depth.

Q. You have no hydraulic dredging down here? A. No, nothing of that kind.

Q. The departmental dredging is done by the department at Ottawa under Mr. Dufresne? A. Yes.

Q. Have you anything to do with that? A. In the first place I correspond with Mr. Dufresne. I report to him and give him estimates as to where the works are required to be done. I report all the dredging that is required at the different places. Then he usually asks me to give him a programme of what I would suggest for the season's work and the placing of the dredges, &c. I usually give him that and sometimes it is carried out and sometimes it is not. Sometimes a programme is put down to be carried out and circumstances arise that the dredges are put in other places, but any dredging that is done is supposed to be and is set out by me and the captain of the dredge is given instructions where to do the work, the line on which the work is to be done and the depth to be dredged to, and we set him a tide gauge. Then we are supposed to see that the captain does the work according to instructions.

Q. Have you anything to do with the dredges themselves? A. Nothing to do with the merits of the dredges. We have nothing to do with whether they are in efficient working order or whether they have sufficient supplies. I have no more to do with that than I have with the contractor's plant. They are in the same relation to me as a contractor's plant.

Q. They are entirely under Ottawa? A. Or the superintendent of dredging. For the work being done they are under my direction.

Q. For the supply of coal, provisions, &c.? A. I have nothing whatever to do with that.

Q. That would be direct from Ottawa? A. Yes, or they have a superintendent of dredging.

Q. Mr. Scobel would have nothing to do with that? A. He had all to do with it, but now there is a superintendent of the island, Mr. Macdonald. The captains of the departmental dredges make weekly returns of their operations. They send me one copy and send one copy to the department. I am held responsible for the work even of the departmental dredges although I have no control over them.

Q. Are you on the Civil list? A. I am not on the Civil list. I do not know the claim, I get my cheque sent without any account going in.

Q. Do you contribute towards the superannuation fund? A. No, I have never been allowed to. It was always the same in our department.

Q. Are all the employees under you in the same position? A. All the same.

Q. Have you any suggestion or remark to make as regards the Civil Service? A. I have that for years and years I could not see why I should not be in some different position from little counting house officer here, or in fact that the whole service should not be put on one basis. I have done what I could for it but I do not benefit by it. I consider that I have a very responsible position. I have looked after the expenditure of millions in the last twenty years and I have tried to do it faithfully and honestly but I get no thanks for it.

Q. You mean that there is no superannuation for you? A. I may get broken in health. In fact now I am not as robust as I used to be. I have nothing to look forward to, in fact I have had no comfort for the last couple of years. I have asked for more assistants and now I feel I cannot do it, I am broken down.

Q. So far by overwork you have been able to carry on the whole work but you begin to feel that your health is sinking? A. Yes, I cannot stand it.

Q. And no provision has yet been made for your future? A. I have not had a holiday in eleven years. I do not feel that I should leave.

Q. Do you see any reason why the outside service should not be on the same basis or footing as the inside service? A. They should be the same I certainly believe in them being credited and if found worthy taken into the inside service.

Q. I suppose you understand that when there is a pension fund you have to contribute to it? A. Certainly.

Q. Would you rather pay so much a month for a superannuation fund or so much a month and be the master of your money? A. I say whatever the system is, have one system for all.

Relating to the dredging, one thing in connection with the dredging done by the departmental dredges. This was a matter which came up two weeks ago that a man came in and accused me to my face that I was using my position in the department in the placing of the dredges as a matter of spite and in the interest of another party. The Premier Mr. Matheson made that accusation made about me. I told this party that the fuller investigation made into it the better I would like it, and I was going to have a full inquiry. Of course there is absolutely nothing in the charge.

Witness retired.

The Commission adjourned.

AFTERNOON SITTING

CHARLOTTETOWN, P.E.I., TUESDAY, July 23, 1912.

The hearing was resumed in Mr. Hegan's office at three o'clock this afternoon, G. N. Ducharme, Esq., Commissioner, presiding.

The following gentlemen representing the officers of the Prince Edward Island railway met Mr. Ducharme:—Mr. H. McEwan, superintendent; Mr. W. P. Huggan, accountant and auditor; Mr. S. S. Hodgson, storekeeper and mechanical accountant.

Mr. DUCHARME.—Gentlemen, what are your views on the question of being placed in the inside service?

Mr. McEWAN.—It seems to me it would be an advantage to us to be placed on the same footing as the members of the inside service.

Mr. HODGSON.—Personally I would look upon it as a great boon to be brought into the inside service.

Mr. HUGGAN.—I would point out that the local provincial government of Prince Edward Island tax dominion officials on their salaries.

Mr. DUCHARME.—At what rate?

Mr. HUGGAN.—One and one-half per cent on the full salary. They go to the blue book and get exactly the amount we are receiving.

Mr. DUCHARME.—If a man gets $500 does he pay income tax?

Mr. McEWAN.—They are exempt up to $500. They take $14.75 off my salary. Then the local government does not do anything for us. We pay our taxes to the government of the City of Charlottetown to keep the city going and the local government give a certain amount to support the schools for the city board but they get that from the Dominion government under the arrangement of 80 cents per head. They get more on the 80 cents per head from the Dominion government than they expend

in the city of Charlottetown for education. The second last increase that was granted by the Dominion in the subsidy to the province was $30,000 a year and attached to that was a condition that the tax on commercial salary coming into the provinces should be discontinued. We think as Dominion officials that when the Dominion government were last year increasing the subsidy to the province by $100,000 a year they should have had a proviso that the provincial government should not tax the Dominion officials within the province.

Mr. DUCHARME.—How many employees of the federal government would there be on the island?

Mr. McEWAN.—We have 500 on our railway most of whom get over $500. This applies to the captains and the post office and public works departments as well.

Mr. DUCHARME.—You are also taxed by the city?

Mr. McEWAN.—On property but not on salary. The majority of the members of the local house are farmers and the farmer is very careful not to tax himself very heavily. There are three classes of farms, one pays about $3 tax on 100 acres, a good farm I think pays about $5.75 on 100 acres. We have no municipal taxes in this province and the government of the province attend to the county work. The larger towns like Summerside and Souris have separate municipal organizations.

Mr. HUGGAN.—If a man gets $500 he is exempt altogether, but if he gets over $1,200 he pays on the whole amount of his income. A man with $1,500 or $1,600 pays on every cent of his salary. $500 is exempt on all salaries up to $1,200 but on salaries of $1,200 or more the whole salary is taxed.

Mr. McEWAN.—If the city put the tax on us we would not object so much because it would reduce the other taxes and we would get the benefit of our money.

Mr. HUGGAN.—In connection with the Civil Service it might be as well to explain that nearly all the permanent employees on the Prince Edward Island railway are in the Intercolonial and Prince Edward Island Railway Provident Fund. Then there is also the outside Civil Service. I am the only one on the railway in the outside Civil Service and if I understand aright the outside Civil Service have asked to be put on the same standing as the inside Civil Service. We pay one and a half per cent on our salary and the Dominion government pays an equal amount with us into a fund, and out of that fund they get a retiring allowance based on the length of service and average salary for the last eight years.

Mr. DUCHARME.—How are you gentlemen located in your offices—have you good accommodation?

Mr. McEWAN.—Yes we have now. Our buildings here have all been renewed within a few years.

Mr. DUCHARME.—You have a sufficient number of employees?

Mr. McEWAN.—Yes.

Mr. DUCHARME.—Let us come now to the question of advertising and printing.

Mr. McEWAN.—It is done by local men; the accounts go to Ottawa and they are audited by the King's Printer.

Mr. DUCHARME.—I understand he simply checks the figures?

Mr. McEWAN.—He changes the figures.

Mr. DUCHARME.—Sometimes he checks them with the rate sheet but he does not make a regular checking.

Mr. McEWAN.—The time tables, blanks and forms are all printed here.

Mr. DUCHARME.—Do you ask for tenders or have you firms to which you apply?

Mr. HODGSON.—I have never asked for tenders for printing, the orders are sent out and I send a sample and a letter.

Mr. DUCHARME.—You send a sample?

Mr. HODGSON.—Yes, and from that the King's Printer signs it and sends it back to us.

Mr. HUGGAN.—Messrs. Hayter and Farrell check the prices and I think Mr. Hayter keeps the accounts. There is hardly a bill that is not refused.

Mr. MCEWAN.—It is more satisfactory to have the work done here. The proofs are sent to us at once and checked.

Mr. DUCHARME.—How many different forms have you?

Mr. HODGSON.—About 474 I have as storekeeper in my books.

Mr. DUCHARME.—Is there a possibility of condensing those forms?

Mr. MCEWAN.—It is only a short time since they increased the number.

Mr. HUGGAN.—I do not think it would be possible to reduce the number. Sometimes there is a change and the old forms on hand are made into pads, but another takes the place of the old form.

Mr. DUCHARME.—Your forms I suppose are similar to the Intercolonial?

Mr. HUGGAN.—Very much. Our forms in general are very much like theirs.

Mr. DUCHARME.—Do you not find sometimes that the paper is not as good as it should be?

Mr. MCEWAN.—On the average it is pretty good but there is some that is exceedingly good.

Mr. DUCHARME.—I suppose you have a patronage list?

Mr. MCEWAN.—Yes.

Mr. DUCHARME.—And you have to have the work done there?

Mr. HUGGAN.—I see that the quality is as good as the sample sent.

Mr. HODGSON.—Mr. Pottinger was looking through my stationery room and he shook his head and said he thought my stationery was a little too good, a little too expensive.

Mr. DUCHARME.—We were inquiring at Ottawa whether there would be a possibility of printing certain forms in general use at the Ottawa Printing Bureau.

Mr. MCEWAN.—They might do that cheaper by printing larger quantities of the same form.

As to the working of the railway we have a deficit. The revenue is increasing every year and the business is increasing. We could earn one-half as much more money with little or no increase of expenditure if we had the field and the population to supply the traffic and I have hoped that we will have that.

Mr. DUCHARME.—If business increases you will be in a position to supply $100,000 more revenue without greatly increasing the expenditure? Are there many passes given?

Mr. MCEWAN.—Only to employees.

Mr. DUCHARME.—Are there too many given?

Mr. MCEWAN.—I do not think so. We make a good many applications to Moncton for employees and their families and they are never refused. Our people however do not run about very much.

Mr. DUCHARME.—Do you find that Members of Parliament ask for passes?

Mr. MCEWAN.—No, they hold passes of their own.

Mr. DUCHARME.—Politics do not interfere with the road?

Mr. MCEWAN.—Oh, no.

Mr. DUCHARME.—You do not see any way to increase the business except what you have spoken of?

Mr. McEwan.—No, we are pretty careful. I do not think we buy anything if we can help buying it except what is necessary for the running of the road.

Mr. Ducharme.—Is the road in good condition?

Mr. McEwan.—Yes, sir, very good.

Mr. Ducharme.—How many miles have you?

Mr. McEwan.—276 miles, and there are 10 miles being built at the Souris end from Harmony to Elmira. It is completed on capital account.

The hearing was adjourned.

Charlottetown, P. E. I., Tuesday, July 23, 1912

G. N. Ducharme, Esq., Commissioner, sat in the office of Mr. Thomas G. Taylor, agent of the Department of Marine and Fisheries for Prince Edward Island, this afternoon.

Thomas G. Taylor, aged 57, agent of the Department of Marine and Fisheries for Prince Edward Island, sworn and examined by Mr. Ducharme:

Q. How long have you been in your present position? A. Three years on the 14th of December.

Q. Were you in the service before that? A. Yes, sir.

Q. In what position? A. I was captain of the survey boat.

Q. For how long? A. Six or seven years.

Q. And before that? A. I was employed by the English Government for eleven years. Before that I was deep sea sailing all over the world. I was in a Nova Scotia ship.

Q. What are your duties at present? A. To look after the winter steamers, lighthouses, government wharfs, buoys, harbour master in all outlying ports of Prince Edward Island. I have to attend to everything belonging to the Marine and Fisheries Department in this district. I attend to the buoys at Point du Chêne and the ice boat service in the winter.

Q. Do sea-going vessels come here? A. We have our winter steamers, the *Earl Grey* and the *Minto*. These are ice steamers. They maintain a passenger and traffic service with the mainland for the winter.

Q. How many employees have you under you? A. Four in the office and on the wharf, four permanent people. We have of course temporary workmen in addition, and we have the crew of the *Brant*.

Q. To whom do you report? A. To the Minister of Marine and Fisheries.

Q. You have nothing to do with the boats themselves? A. Oh, yes, we man them here. We supply them by patronage. The members supply a list of men they want put on and if they are suitable I put them on, so much per man.

Q. What about the coal? A. The coal is supplied by the department.

Q. Who makes estimates for that? A. I make the estimates for everything the boats want.

Q. Is there any stock-taking in the fall? A. Down in our warehouse, that is all the stock that is taken. On board the steamers, the stewards take an inventory every three months with the first officer.

Q. Has it been always that way? A. Only lately. Before there was no stock-taking. We got the coal delivered to the boats at Pictou at $3.75. The government do not carry any coal on hand. All the supplies we have on hand are just lighthouse supplies. When we buy lighthouse supplies we requisition them into stores and out again through our books. We do not buy oil, it comes from the department. When this season was over we had about five barrels over. We make returns to Ottawa showing that we have so much on hand and how much we have used. We show every barrel charged up to each ship.

Q. What supplies have you for lighthouses? A. All other supplies we buy by contract submitted to the department first.

Q. What would they be? A. Brooms, buckets, tin buckets, scrubbing brushes, anything used for cleaning or working around lighthouses. These are bought by tender first submitted to the department.

Q. Do you find that that causes delay? A. Yes, it causes delay.

Q. And annoyance? A. Sometimes, certainly, if we could buy direct it would be an advantage.

Q. Could you buy as cheaply direct? A. Not as cheaply as if they bought in Upper Canada because our merchants have to buy in Upper Canada and bring the goods here.

Q. So at present when you want anything you send a requisition to Ottawa and Ottawa asks for prices? A. If we want to buy a dozen things we send to Ottawa at once and if they think the price satisfactory they send a covering order for the goods. They write about the prices now and again.

Q. And if the prices are agreed to, you buy the goods? A. Yes.

Q. From the firm that is lowest? A. From the patronage people.

Q. You have a list? A. It is not a list from the government, just from the local members. They do the same as when the other government was in power. They have their friends to go to and so have these.

Q. You have a patronage list? A. A patronage list of friends to go to the same as before.

Q. That is supplied by the members? A. Before they had a contract with the merchants, but the contract was with their own people. It is the same thing now only there is a change from one merchant to another.

Q. Are there any things in your department you would complain of or have you any remarks or suggestions to make? A. The system of purchasing is too roundabout and too slow. Goods should be bought in the place where the vessels are working. First I have to make a requisition and send it to Mr. McConkey, the ship husband in Halifax, or to Mr. Ferguson the chief engineer in Quebec, and for anything in the engineering room we have to send to Mr. Ferguson and for everything on deck to Mr. McConkey. If they approve of it they sign it and return it to me. Then I send it to the purchasing agent at Ottawa and with both of our approvals on it it may be turned down by the purchasing agent.

Q. Are you aware that the purchasing agent at Ottawa when he receives your requisitions writes to different firms that he has on his list asking for prices on the goods that you require? A. No, sir. But he might write to a merchant from whom he would be buying wholesale and we would clash down here on the price. I say that you cannot expect us to buy 20 pounds of something at the same rate as a ton.

Q. The firms themselves sometimes write asking further details and they make their price and when they are satisfied with the prices the purchasing agent writes you, and all of it together you think causes quite a lot of delay? A. That is the trouble we find, the great delay.

Q. Do you not think it would be better if there was a central place, say Moncton, where you could apply direct for your goods? A. Either that or let the department make a contract with the merchants here for everything we require and give it to us in writing. Then when requisitions come up they are according to this contract and they have no further bother.

Q. Do you keep a stock ledger? A. Yes, sir.

Q. And do you call for requisitions? A. We never allow a thing to go off the wharf without an order from the storekeeper.

Q. Do you make estimates of what you require? A. Yes, sir, every year we send that in to the department.

Q. When it is voted are you notified of it? A. No, sir.

Q. Do you not think you should be? A. I do not know if it would do us any good.

Q. There must be a check somewhere so you will not exceed your appropriation? A. I do not think we have ever exceeded our appropriation.

Q. Could not your books be arranged so as to prevent the possibility of your exceeding your appropriation? A. Yes, the present system is too complicated. It takes too long to fill orders and as the work increases the clerical work piles up more and more and the delays are becoming serious. You make a contract with a man here say for a boiler. They get specifications there, it is sent to them, and the man says, "I will do this for $250." If he sends in a bill as per contract and specifications, $250, they will not accept that, they want an itemized bill from the man taking the job. Many of the mechanics kick against that and say, "Why should we give our business to the department?" The clothing of the vessels in the spring and fall of the year never seems to go straight. If we had a contract price and if we went to the tailors here they could get the goods.

Q. You are on the outside list, I presume? A. On the outside list.

Q. Have you ever thought whether you should be in the inside service or not? A. I think it should all be on the same footing. I do not think it is fair when the men who go to sea as captains should be liable to be thrown out.

Q. Have you any suggestions to make on that question? A. I think it ought to be uniform, it should be all through the service.

Q. Your work is not getting behind on account of having too small a staff? A It is behind with the accountant, he cannot keep up unless he gets an assistant. Anything that comes from Ottawa it is all by cheque. The earnings of the boats—the purser comes to me with the cheque filled for, say $1,500. I sign the cheque and he sends it to the Receiver General.

Q. You do not know what it is for? A. No, he gives a statement and we send that to Ottawa, a statement of every ticket, every half ticket, and everything of that kind.

Mr. Taylor shows a statement of the earnings of the steamer *Minto* for March, 1911, showing receipts amounting to $1,705.77.

Freight, $1,060.42.
Passengers, $497.25.
Meals, $22.10.
Berths, $126.

Mr. Taylor.—This money is deposited by the purser into the Bank of Nova Scotia in the name of the Receiver General, and the duplicate deposit receipts are handed to the accountant of the Marine and Fisheries here in Charlottetown. I find a cheque in remittance of difference of freight to the Intercolonial railway. I give this cheque to Mr. Webster in Pictou.

The hearing was adjourned.

Charlottetown, P.E.I., Wednesday, July 24, 1912.

G. N. Ducharme, Esq., Commissioner held a sitting this morning in the office of the Collector of Customs.

Mr. Robertson, Esq., collector of customs, aged 57, sworn and examined by Mr. Ducharme.

Q. How long have you been in your present position? A. Ten years. I was formerly sheriff of the county with the local government.

Q. How many employees are there in the Customs Department here? A. 17 on the pay-list at the present time. In our port right here there are 12 in addition to temporary clerks.

Q. What salary do you get? A. $1,950.

Q. What amount of collections do you make in a year? A. Last year over $109,000 of which $105,000 was in Charlottetown and $4,000 in outports. The year previous was a little more. The population on the island is 120,000, the population of Charlottetown 12,000 and of Souris between 3,000 and 4,000.

Q. Do you think your staff is too large for the business of the port? A. We have a tremendous length of coast line and a great many outports that do not return a cent only they protect the revenue.

Q. Have you employees there? A. Yes, sir.

Q. Are they included in the 17 you gave? A. Only a few of them, the principal outports are included.

Q. Do you collect from more than one place? A. Murray Harbour, Souris, Georgetown, Montague. Some of these are on the temporary list. There are 7 other officers not mentioned, 23 altogether.

Q. How much revenue do you get from each outport? A. Last year at the outport of Georgetown we collected $220.43.

Q. How many employees are there there? A. Just one, an old gentleman.

Q. How much does he get? A. $700. The other outports and the amounts collected are as follows: Souris, collected $2,486. We have two officers there, one on the permanent list and one on the temporary. The permanent man gets $700 and the temporary man who was only put on the other day, gets $200. At Crapaud the revenue is $130. The man is on the temporary list and receives $300. At Montague we collect $385 and the employee there gets $400 a year. At Murray Harbour the revenue is $277 and the officer receives $200. At Cardigan the revenue is $371 and the officer receives $250. At Peters the revenue is $322 and the officer receives $200. Vernon River the revenue is $34 and the officer receives $150. At New London the revenue is $27 and the officer receives $150. At Grand River the revenue is $2.51 and the officer receives $150. At Rustico the revenue is $10 and the officer receives $150.

Q. Are there other expenses connected with the outports besides the salaries? A. Simply postage, at the end of the year a few dollars postage.

Q. There are no office expenses? A. No, there is a Dominion government office at Georgetown and one at Montague and one at Souris. There they are in the government buildings. The others supply themselves with offices and we supply them with stationery.

Q. Why are there so many collecting points? A. We have a very extensive coast line. We begin 28 miles from towns at Crapaud. Then we extend down south to Vernon River, 22 miles by the coast line. The first office is 35 miles from Georgetown. Then at Montague it is about 9 miles. There is a good deal of business there although not much revenue. Cardigan River is 7 miles and there is a great deal of business there. They attend to the entering and clearing of vessels and attending to sick mariners. Then we strike Georgetown where many American fishermen run in for shelter and the officer there has to be very alert and cautious in attending to his duties. A good many sick seamen come in there for attendance. Murray Harbour 15 miles down on the coast line has considerable business although little revenue. There is a collecting station about 7 miles from Murray Harbour at Vernon River where we have a special collector getting $250. From time to time no revenue. About twelve miles further there is the Grand River where a great deal of shipping is done. At Allandale this station is located. We have a man there who collects $2.50 but he has a good deal of shipping to attend to and a lot of coast line to guard. Many vessels from the Magadelene Islands and St. Pierre and Miquelon are accused of smuggling whisky. Then about 15 miles we get to Souris where there are two officers there.

They collect about the largest revenue we have from any outport. There are a great number of American fishermen running in there for shelter. We consider Souris the principal port outside of Charlottetown and there are many sick seamen who come in there and get treatment. We extend around the east point to St. Peter's where we have a man about 35 to 40 miles from Souris. Many fishermen from the north side run into St. Peter's for protection. Rustico is the next port. That is about 25 miles from St. Peter's. We have another twelve miles west at New London where we have two men.

Q. You must have that number of ports to protect the coast from smuggling? A. Yes.

Q. The largest amounts of duties are collected in Charlottetown? A. Oh, yes. We collected last year $105,000.

Q. Liquor is prohibited on the island? A. The sale is prohibited but the importation is not.

Q. Could you suggest any means by which this could be improved? A. The coast could be lessened. I have considered the matter but I cannot see any way of protecting the coast line than that now in use.

Q. Supposing that you had not all of these sub-ports and that there were attempts at smuggling, could you not ascertain and guard against such attempts if you had two or three Customs officers looking after the coast? A. Yes, I think they could trace it but there is a great deal of traffic through the mail and men grumble very seriously when they have to go a long distance to the Custom house, and at Vernon River, for instance, they get nothing but post office parcels.

Q. Could not the postmasters do that work? A. They have never done that here.

Q. That could be done, all dutiable goods coming through the mails could easily be inspected by the postmaster and the Customs dues collected? A. I suppose that could be done.

Q. Do you know of any way in which the service could be improved? A. I could not make any suggestions on account of the large coast line. A great many setierre vessels in the past have been smuggling in the eastern part of the island especially. The eastern part of the island has always been the bugbear of the province from a Customs standpoint. They get liquor very cheap there and bring it up here. It is quite a tax on the port here to have the little outports with small collections.

Q. Have you any complaints to make as to offices, locations, &c.? A. No. I think they are very well situated.

Q. Do you belong to the outside service? Yes.

Q. You are considered as a permanent officer of the outside service? A. I consider myself permanent. I pay $100 every year, five per cent on my salary.

Q. Would you prefer to have all of the service put on the inside service? A. Yes, sir, we think it would be a benefit.

Witness retired.

M. J. MORAN, sworn and examined by Mr. Ducharme.

Q. You are the accountant? A. I am the head of the long room in the Customs office, senior clerk.

Q. How long have you been here? A. I have been here in this office 27 years.

Q. How old are you? A. 57.

Q. Were you in the service before coming here? A. No, sir, I was accountant in an office.

Q. I suppose your office work is up to date? A. Pretty well.

Q. I suppose that remark would apply to all departments? A. Yes, I think so.

Q. Have you enough assistance? A. Yes, sir.

Q. Would you prefer to enter the inside service? A. I think it would improve the service by placing it under the commission, making it part of the inside service. So far as the chief ports are concerned I think it would be difficult to bring the minor ports in.

Q. All the head offices? A. The chief ports.

Q. I suppose that remark would apply to all departments? A. Yes, I think so.

Q. The excise and customs, savings bank, &c.? A. Yes.

Q. Have you any other suggestions? A. I think there ought to be an age limit in the appointment of officials.

Q. What would be that limit? A. I should say about 35 years of age. In the appointment of officers at outports there ought to be some test as to qualifications, that is, there ought to be some practicable examination by the inspector to see that those appointed are qualified for the duties they are to perform. It is difficult to do this, of course, on account of the small salaries paid, but in some instances officers are appointed whose qualifications are not up to the standard.

Q. I see that your collections are very costly. Do you know of any means by which the cost could be reduced? A. No, it is difficult.

Q. Could you do away with all these outside ports that give no revenue? A. No, it would be difficult to do away with them, because there is a certain amount of shipping at them, and it would be necessary to have officers there to enter and clear vessels. There are places where there are both harbour masters and Custom officers. In reference to the appointment of collectors at subports, the test I speak of should be by an inspector, it should be a practical test. As regards preventive officers at the chief ports, I think there ought to be some similar test. They are appointed now without any test. The law now provides that the preventive officer shall be exempt from examination, and I think there ought to be some test applied. It would be an advantage to have preventive officers who would be qualified to be taken into the long room in case of necessity.

Witness retired.

THEOPHILUS MOORE, aged 70, sworn and examined by Mr. Ducharme.

Q. How long have you been with the Department of Inland Revenue? A. About 38 years.

Q. Have you always been here? A. Yes.

Q. Were you with the government before? A. I was outside, I was in business at that time.

Q. Have you always occupied the same position in the department since you entered it? A. I came in as excise man, then I was appointed collector for a time, and now I have been collector since 1911.

Q. Can you state the amount of collections you make? A. Our collections have gone down materially. Some years ago we had three malt houses and three breweries, but now there is prohibition.

Q. Since when has prohibition been in force? A. For 12 years, and before that we had the Scott Act. They have prohibition, but that does not say that there is no liquor drunk in the island. We had bonded warehouses and four tobacco factories, but now all we have is three tobacco factories.

Q. How much do you get now? A. Between $15,000 and $16,000 last year. The duty on tobacco has been reduced from 25 per cent to 5 per cent, and that took us down immediately.

Q. How many employees have you in the excise besides yourself? A. Two besides myself.

Q. What salary do you get? A. $1,300. Mr. W. A. Weeks, $900 as deputy collector, Class B, and $200 as food inspector, a total of $1,100.

Q. Have you any other expenses connected with your department? A. No, there are none sir, just the ordinary little expenses, charwomen, &c.

Q. Have you any suggestions or complaint to make? A. No, sir, I do not know that I have. Mr. Gerald is a pretty thorough man and I think everything is pretty well arranged.

Q. Do you belong to the outside service? A. Yes, sir.

Q. Would you rather be in the inside service? A. We have always been under the impression here that the inside service gets better salaries than the outside. If it would be the means of getting better salaries for the outside service I do not think that any one would object. A couple of years ago salaries were rearranged in the departments under an amendment to the Act.

Witness retired.

J. A. MATHESON, aged 68, sworn and examined by Mr. Ducharme:—

Q. What is your occupation? A. Inspector of fisheries.

Q. Since when have you occupied this position? A. Since 1898.

Q. Before that? A. I was employed outside. I have been in the fishing business for 45 years.

Q. What are your duties? A. To look after the fishing interests in general all over Prince Edward Island.

Q. What do you call fishing interests? A. The lobster and fishing of all different kinds.

Q. What have you to do? A. We have through the country three other overseers, one for each county and a lot of guardians. Their accounts all come to me and I am supposed to visit the different lobster factories once a year. There are something over 200 lobster factories.

Q. How long do they work? A. The season opens on the 20th of April, and closes on the 10th of July. That is in one section of the island. In the other section from Cape Traverse to Welsh Point they commence on the 20th of May and close on the 10th of August.

Q. Do these factories pay taxes? A. They pay a license.

Q. How much? A. For the first 100 cases a license of $5, and $2 per hundred or fraction of a hundred above that.

Q. Do the fishermen take licenses also? A. No, they have no licenses.

Q. So the only thing you collect is from the canners? A. We collect from the smelt license and also the oyster license, and the quahang license. That license is $1 a season for a fisherman. The season is May, June and September. In August and July they are supposed to be spawning.

Q. What about the time after September? A. Then the oysters come in and the clams are not much required. The next reason is that we do not want to fish them at the same time as the oysters. The oyster license is 50 cents a man. The season for oysters is from the 1st of October until navigation closes.

Q. Have you any other licenses? A. I think that is all, the smelt license is $1 each.

Q. Your instructions consist of making these collections? A. And going into the factory and seeing that the regulations are properly carried out and inspect conditions on which they are built and see that the fish are properly packed and returns made. All accounts going through are certified to by me. There is no license for herring fishermen or for cod. The charge for trout fishing we used to collect for the federal government but it now comes under the local government. We used to do a great mackeral business but it has almost disappeared. In Malpeque Bay they get lobsters.

Q. Are you in the outside service? A. Yes.

Q. Have you any suggestions to make as to the bringing of the service into the inside service? A. I think we should be on the inside service, it would be more satisfactory.

Q. Have you any suggestions to make for the improvement of your service? A. There are several things, the labelling of lobsters for instance. It is a great deal of trouble to the packer and not much advantage to the country. It originated from a commission of Messrs. Prince, Hackett and Ogden, who recommended the labelling of the fish. When it was first started they used to send the labels around to us. I was in the packing business then and it was never looked after, so after I came in I was talking to Professor Prince and Mr. Venning about it and asked Professor Prince what the object was. He said to prevent illegal fishing. I said then you have come very far short of what you expected. To my mind you are only putting me into the hands of men who wish to pack illegally. In those days the officers came around to the factories to label. We now send the labels to the factories but they still have a chance to smuggle some away. I suggested not to label any fish until the season was over and then have the officers label all the fish on hand. I think we are getting a little improvement in the system. Our oyster fishery is falling into the hands of the local government. They are taking over the whole ground this year but the Dominion government have the regulation still.

Witness retired.

THOMAS G. TAYLOR, recalled and examined by Mr. Ducharme:—

Q. You collect wharfage? A. The wharfingers collect it and we give them 25 per cent of what they collect.

Q. They have no salary? A. No sir, it is very hard to get them to act because there is not much in it. A man may live three quarters of a mile away from the wharf.

Q. How much would the total wharfage amount to in a year? A. In some cases to $1, in some to $100.

Q. You have no expenses at these wharfs? A. The wharfs are built by the Public Works Department. The minor repairs are done by this department. Our department should have nothing to do with the wharfs.

Q. How many wharfs have you on the island? A. There are many that do not bring in a cent. It would be better to abolish the wharfage tolls and allow the public to use the wharfs.

Witness retired.

The Commission adjourned.

SOURIS, P.E.I., THURSDAY, July 25, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting on board the steamship *Lady Sybil* this evening.

ALFRED B. PAQUET, sworn and examined by Mr. Ducharme:—

Q. What is your age? A. 39.

Q. Your occupation? A. I am agent for the steamship *Lady Sybil* and owners, managed and owned by Mr. McClure.

Q. How long have you been here? A. This is my first season.

Q. Were you living here before? A. Yes, sir, born here.

Q. You have been living here all the time but you have only been agent for the last three years? A. Yes, sir.

Q. What complaints have you to make? A. For the convenience of the travelling public we should have a waiting room in connection with the freight shed at the railway wharf and for convenience in the discharge of cars at that wharf, the doors of the shed should bt raised higher. The cars are not on a level with the floor when they are alongside the building. The doors of the cars are higher than the doors of the shed and the men unloading or loading freight must be in a crouching position. This is the only boat coming here at present, but in a few days we will have another boat from Halifax. Freight is landed in Souris for a good many small points on the railway in this county and in the county of Queens and it has to be loaded. The railway company loads the car and unloads it, the steamship company puts the freight in the shed.

I asked the manager of this boat to make a waiting room and he told me that when his contract expired it might not be renewed and it would be useless expenditure for him to build a wharf, that some other company might come in and reap the benefit. He thought it was the duty of the railway people to build this waiting room and a cheap little office here for the business. The government collect wharfage.

Then for the convenience of the travelling public the passenger trains should be run on to the wharf twice a week, Monday and Thursday. The track is already laid to the wharf and in daily use for freight and it would incur very little if any additional expense to run a train with passengers down twice a week to connect with the boat also carrying baggage and express goods which have to be transferred by teams on meile incurring expense to the passengers and consignees of goods coming by express. Only last night on the arrival of the *Sybil*, from the Magdalen Islands, some lady and gentlemen passengers were landed at 12 o'clock at night in a heavy rain storm. There was no conveyance to take them to the hotel or depot. I heard that a little girl being taken to the hospital was without means of carriage to a place of shelter. The passengers walked to the station a mile away and then were unable to gain admission to the station, but finally found shelter in a first-class railway carriage that happened to be unlocked.

Then there are no life buoys on the government wharf. I believe that life-saving apparatus should be placed on each government wharf.

Witness retired.

The Commission adjourned.

HALIFAX, N.S., July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting at the Custom House this morning.

CHARLES E. W. DODWELL, district engineer of the Department of Public Works for western Nova Scotia, sworn and examined by Mr. Ducharme:—

Q. What is your salary? A. $3,000.

Q. What are your duties as district engineer? A. The repair and construction of harbour works including wharfs, piers, breakwaters, protection works and the deepening and dredging of harbours and rivers for the four counties of Kings, Annapolis, Digby and Yarmouth.

Q. To whom do you report? A. To the chief engineer, Mr. Lafleur.

Q. You have no chief engineer for Nova Scotia? A. No, there are five district engineers in Nova Scotia.

Q. Would you kindly name them? A. There is Mr. E. G. Millidge of Antigonish, who has charge of the counties of Pictou, Antigonish and Guysborough. Then there

is Mr. G. A. Bernasconi, who is resident in North Sydney and has charge of the whole island of Cape Breton. I am resident in Halifax and have charge of the counties I mentioned. Then there is Mr. H. A. Russell, who is also resident in Halifax with charge of the counties of Halifax, Hants, Colchester and Lunenburg. Mr. T. J. Locke resident in Shelburne, has charge of the work in Queens, Shelburne and Cumberland counties.

Q. Has this system been long in operation? A. No, the last change took place in September, 1898, when Queens and Shelburne were cut off my district and put under the charge of Mr. Locke who was then my assistant engineer. It was in the same year that Cumberland county was cut off my district and put under the charge of Mr. Locke.

Q. Is there a long distance between Queens and Cumberland? A. Queens-Shelburne are in the extreme south of the province and Cumberland is the most northerly county of the province.

Q. Do you not think that Cumberland should have been given to the north portion instead of to the south? A. Yes, of course, it should. Mr. Millidge could have looked after Cumberland county more conveniently than Mr. Locke because Cumberland county adjoins Pictou county.

Q. You do not know of any reason why the county was put in that district? A. No. In August, 1910, the counties of Halifax, Hants, Colchester and Lunenburg were cut off my district and erected into a district by themselves with Mr. Russell as district engineer.

Q. You were at that time in charge of these four counties? A. Yes, my first charge was eleven counties.

Q. In 1898 they took off three? A. They took off Queens, Shelburne and Cumberland, and in 1910 they took four more, leaving me only four counties now.

Q. How many counties are there altogether?—A. Fourteen. I had eleven. Besides that there were Pictou, Antigonish and Guysborough, fourteen counties besides Cape Breton on the mainland. On the mainland of Nova Scotia there are fourteen counties.

Q. Mr. Dodwell, has the work increased to such an extent that this division was necessary? A. The work undertaken by the Department of Public Works in Nova Scotia has increased in number and importance and cost very materially in the past ten or twenty years, but when you ask if they have increased so as to necessitate this arrangement that is another story. It is a question for very serious discussion as to whether we should have a great many districts with a district engineer in charge of it or whether we should have fewer and larger districts with a greater number of assistant engineers who should report directly to the engineer in charge of the larger districts. It is a question of centralization or decentralization.

Q. Do you not think if there was a man in charge of the whole maritime provinces reporting direct to the head office at Ottawa with the district engineers report to this engineer in charge of the maritime provinces the system would work better? A. I do, I think that would work better. That system was in vogue at one time in the past when there was resident in St. John, New Brunswick, an engineer who was styled engineer in charge of the maritime provinces and all the assistant engineers, as they were then called, reported direct to the engineer in charge at St. John and took their instructions from him. I have no official knowledge of the reasons why that system was discontinued. It ceased over twenty years ago and the maritime provinces were then divided into districts each in charge of an engineer styled resident engineer. It is only within the last four or five years that the resident engineer of the department has been styled district engineer. There is no real difference in their duties.

Q. Then all the district engineers here have the same duties and authority? A. Yes.

Q. Have you anything to do with the construction of buildings, &c., except what you mentioned? A. No. Public buildings come under the charge now of none of the district engineers.

Q. They are managed directly from the Architect's Department of the Public Works Department at Ottawa? A. For a number of years I had charge of the public buildings of Nova Scotia but I found that I could not give them the attention they needed and after representation to the department they only this year appointed a special inspector of public buildings to take charge of all public buildings in Nova Scotia. That is Mr. William Bishop, who is a builder, not an architect or an engineer. He is a pretty good man and he has relieved me of a great deal of very irksome, distasteful duties and he is kept pretty busy.

Q. Up to a year or two ago you had charge of the buildings? A. I had charge of the buildings in Nova Scotia, but Mr. Ewart gave me as little running about as possible. For instance, for a building in a distant town in Nova Scotia the repairs would be done through the janitor or caretaker of the building and unless they were of considerable magnitude or cost, and in those cases Mr. Ewart would ask me to examine the building and report to him with recommendations.

Q. What buildings were built here under your supervision? A. The armoury, the immigration buildings, the quarantine buildings, that is on Lawlor's Island, the Custom house.

Q. Could you say from memory when these buildings were put up? A. The armouries were begun in 1894 or 1895, I could not give you the date exactly. The immigration buildings were begun about 1895. The quarantine buildings which included the detention building, first, second and third class hospitals, lavatories and several other buildings were spread over several years beginning about 1892 or 1893. The Custom house, that is the building we are now in, took about five years to build. It was begun about 1902 or 1903 and only finished in 1908 or 1909. The post office building was erected by the Nova Scotia government before Confederation and taken over by the Federal government upon Confederation. The interior was all rebuilt in 1910-11. This was not under my care.

Q. These were all done under contract? A. Yes, all contract work.

Q. How many years have you been with the government? A. I am in my twenty-third year.

Q. You have always been here in Halifax? A. Yes.

Q. Was there any extensive work done in that time such as harbour work? A. Harbour work? The works have been very numerous and they have cost from a few hundred dollars up to $100,000 or $200,000, but the largest single wharf and breakwater would be the wharf at Port Wade which cost about $96,000. I suppose there has been a larger expenditure on a single work in dredging. In Yarmouth harbour, for instance, we have spent several hundred thousand dollars in dredging in the past twenty years but not on any one piece of work or contract.

Q. Is there any great works going on just now? A. I am just beginning to build a breakwater at Trout Cove in Digby county which will cost about $73,000. That is the largest single work I have on hand just now. That is a contract work. That is to say it is partly a contract work. The department has purchased the creosoted timber themselves and the whole of the native timber and the labour is under contract.

Q. Is the government building just now what is called a deep water terminus here? A. Yes, a contract was awarded about a year ago to the Nova Scotia Construction Co.

Q. Do you know who those parties are? A. Yes, it is an incorporated company. I think the president of the company is Mr. Cozzolino, a very competent contractor and Italian. The headquarters of the company are at Sidney, Cape Breton. The manager here is Mr. Lindsay.

Q. Where is this work located? A. About three-quarters of a mile north from here in Halifax harbour.

Q. Who has charge of this? A. I do not know who represents the Department of Railways and Canals here, the consulting engineer, Mr. Kennedy, has a representative here in charge of the construction of the pier in his behalf.

Q. It is not in your district? A. No, it is in Mr. Russell's district, but of course Mr. Russell has nothing to do with the construction of the pier.

Q. Is the deep water pier an extensive work? A. Yes, it is about 800 feet long, 200 feet wide and the contract price, as I understand it, is about $914,000.

Q. Is this an ordinary pier built in the ordinary way of wooden piles, &c.? A. Not at all, it is quite a novel type of construction. It is being built of concrete piles. The concrete piles are not entirely a new feature of pier construction but in the mode in which they are being used in the present pier they have certain features of entire novelty in the size and distribution of the piles. It is a type of construction for which, so far as I am aware, there is little or no precedent. The piles are of reinforced concrete, 24 inches more in section and in length up to about 75 feet.

Q. How do they get the proper depth to which to drive the piles? A. By preliminary boring. When the piles are driven they are for the purpose of forming a floor with reinforced concrete piers.

Q. Is it this type of construction which will cause this work to cost so much? A. Yes.

Q. Have you had occasion to see any such work in other countries? A. No, I have never seen a concrete wharf.

Q. But large wharfs? A. I was in New York in January last and took occasion to visit the Bush terminal at South Brooklyn where there are 7 large piers from 1,200 to 1,800 feet long and about 150 feet wide on which there was accommodation for nearly six large ocean liners. The whole of these piers are constructed of uncreosoted wooden piles. The piles of which the piers in New York harbour are constructed are not creosoted because the waters of New York are so foul that worms cannot live in them, but so far as I am aware every pier in New York harbour is constructed of native timber piles. At the first terminal at Brooklyn and at the White Star pier these piers have reinforced concrete floors and the same warehouses.

Q. If those wooden piles are good enough for New York, do you think that they should be good enough for this country? A. Quite good enough. But in Halifax harbour owing to the prevalence of destructive marine worms, we would have to have creosoted piles.

Q. Would that cost much more? A. Yes, it adds materially to the cost of the piles.

Q. But still the cost would be nothing to compare with the cost of the concrete piles? A. No, that is to say a pier of creosoted piles would cost very much less than a pier of concrete piles.

Q. Less than one-half. How many employees have you under you? A. One assistant engineer, one clerk accountant, a secretary stenographer, and just at the present time I have two engineering students who are only temporary.

Q. You do the draughting for your own district? A. Yes.

Q. Each district engineer does his own dredging? A. Yes, it is done in his office by himself or by his assistants.

Q. Have you any suggestions to make whereby the service could be made more efficient or economical? A. Yes, I have. It is in regard to the Bill that the engineers of the federal service are trying to get through parliament, if I may mention that to you. I have placed it before you. The engineers of the federal government are at present under certain disabilities. There is no properly organized engineering service in connection with the federal government and the engineers of the federal government have been for some years striving to bring about the establishment of a proper engineering service on lines similar or parallel to those upon which corresponding services are established in India and Australia. The engineers of the federal govern-

ment with very few exceptions, are not on the civil list, and when the original Civil Service Act was passed in 1868 no provision was made in it for the incorporation in the public service of a staff of engineers in any department of the government, and so far as I am aware no attempt has ever been made to amend that Act so as to cause it to include civil engineers. We have no statutory recognized professional standing of qualification and efficiency. A civil engineer on appointment in any department of the federal government is not required to pass an examination or show credentials of professional experience and efficiency. We believe that it would be vastly in the public interest if an engineering service were established similar to those of India and Australia in both of which dependencies of the empire there are very excellent services.

Mr. Dowdell submitted a memorandum setting forth in greater detail his views upon this subject.

Q. Do you not think that one of the first things would be that any young man who wanted to go into the engineering department should pass a proper examination the same as any other civil servant? A. Certainly, unless he can show qualifications. For instance, a young man wants to become an engineer in the Public Works Department. I say: "Are you an engineer; show what you know?" He produces a certificate that he is a member of the Canadian Society of Engineers and has a diploma of McGill or Toronto or of some other college. He is an engineer. Care is taken that no man enters the engineering society unless he is an engineer.

Q. If an examination was introduced, would that not be an advantage? A. We do not object to that.

Q. You think they should have an examination as to qualifications? A. Yes, but if a young man produced a diploma from an engineering college and also an engineering society he would be quite willing to have an examination.

Witness retired.

HALIFAX, N.S., July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, presiding.

HAROLD A. RUSSELL, aged 27, civil engineer, sworn and examined by Mr. Ducharme:—

Q. What position do you hold here? A. District engineer of the Public Works Department.

Q. By profession you are a civil engineer? A. Yes.

Q. Since when? A. I am not a graduate civil engineer, but I have been in the business since I was 18 years of age.

Q. You are district engineer for the counties of——? A. Halifax, Lunenburg, Colchester and Hants.

Q. What is your salary? A. $2,300.

Q. Since when have you been district engineer? A. Since August, 1910.

Q. What are your duties as district engineer? A. The duties of the district engineer are to take charge of all expenditure of public money on wharfs, breakwaters, dredging and harbour improvements.

Q. Is there any dredging going on now? A. Yes, at Lunenburg.

Q. That is under your control? A. Yes.

Q. Is that done by contract or by government dredges? A. Contract.

Q. Who has the contract? A. W. J. Poupore Co., of Montreal. It is a continued contract, but there was nothing done last year it was continued from two years ago.

Q. How much is he getting there? A. I think his figure is 28 cents this year.

Q. Is that more or less than last year? A. That is less.

Q. Are there many public works going on in your district just now? A. I have a number of small works, none of them very large. There is one contract of $27,000. There are a number of plans being prepared for a number of works but none in progress.

Q. What contract is that for $27,000? A. Devil's Island, construction of concrete breakwater.

Q. How long will that be? A. 240 feet total length.

Q. Of wooden piles or concrete piles? A. Concrete from the bottom.

Q. How do you get the bed? A. We put it in forms, we put the forms in first and deposit right in the water.

Q. Do you bore the foundation? A. No the foundation is right on the rock.

Q. What is the size of the forms? A. The forms we put in were too light. We put 8 x 8 timbers of 2-inch planks, but 8 x 8 was not heavy enough, the storm last month broke the forms right off.

Q. How large do you make them? A. They are 8 feet apart, each set of forms will be 8 feet apart over the work.

Q. What will be the size of each form? A. 24 feet in length.

Q. And how deep? A. About 17 feet, the width of the breakwater. It is really an extension to the breakwater there at present.

There is also a contract let for dredging work over at Dartmouth, about 45,000 yards.

Q. Do you know the price? A. 29½ cents I think.

Q. How much water is there? A. We are taking to 18 feet.

Q. Is there anything in connection with your work or department that you would suggest? A. The one thing which has been an annoyance and a detriment to our work is the appointment of foremen. There is too much politics. We cannot get good men.

Q. Is this of late? A. It has always been so, it is no better now than it ever has been. It is almost impossible to get competent men to take charge of the work. Last year I purchased an engine and used it for pile driving at a cost of $1,000. The man I had in charge allowed the water to freeze in it last fall and burst the cylinders. The man I have in charge of it this year got it so that it would not run at all. I got no satisfaction out of it simply because I cannot get competent men.

Q. Had you given instructions? A. Yes, positive instructions.

Q. When it came to the fall had you given special instructions? A. Oh yes.

Q. And you had a report that it was all done? A. I told him the moment he was done with the engine to take the water out of it.

Q. Did you get a report from the man that he had done it? A. Yes, he told me that he had done it.

Q. Have you any other suggestion? A. That is practically the whole difficulty we have with politics. That gets into it not only in the appointment of men but in the purchasing of materials.

Witness retired.

The Commission adjourned.

AFTERNOON SITTING.

HALIFAX, N.S., TUESDAY, July 30, 1912.

G. N. DUCHARME, Esq., Commissioner, presiding.

P. S. BRENNAN and J. N. MEAGHER, of the Department of Customs, appeared before the Commissioner and were both sworn.

Mr. BRENNAN was first examined by the Commissioner.

Q. How long have you been in the service? A. Twenty-six years.

Q. How old are you? A. Fifty-two years old.

Q. And Mr. Meagher? A. He has been 21 years in the service and is aged 40.

Q. You have always been in this business? A. Yes.

Q. You have formed a small society of your own here? A. We have a small society, a benefit association, but that does not extend to any other post office than our own.

Q. That has no reference to Civil Service proper? A. No, not at all.

Q. Have you any suggestions to make as to the Civil Service? A. No, not any.

Q. Whether you should be connected with the inside service or not? A. We have never given it much thought. We would like to be in the inside service if we were treated as well as they are treated. We have not been treated as well, we think the salaries in the inside service are better.

Q. Do you find anything that would prevent your coming into the inside service? A. No, sir, as a matter of fact we have never given it any serious consideration. The salaries are larger in the inside service and for that reason we would be glad to get there.

Q. Personally you would rather be in the inside service? A. I think so.

Q. Have you any suggestions as to the service? A. No.

Q. The system you have of distributing stamps in your post office is good? A. Yes, sir.

Mr. MEAGHER was then examined.

By Mr. Ducharme:

Q. What do you think about the Civil Service question? A. The only objection I would have to having the outside service brought into the inside service is that the examination might prevent us from reaching the higher classes. We understand they are very difficult.

Q. Supposing for the actual employees, the promotion examination should be limited to the duties of their positions, would you then wish to come into the inside service? A. I would say if the salaries were higher in the different grades I would prefer the inside service under those conditions.

Q. Have you any suggestions to make? A. (Mr. Brennan). Personally I would be in favour of compulsory retirement after so many years in order to keep the thing going. They have a lot of time-expired men, old men who prevent others from going up. A man contributes for 35 years to the pension fund. I claim that after that time he should withdraw.

Q. Any other suggestions? A. The staff here is not large enough, causing unnecessary delay in sorting. The system is all right. We have a larger building and better service could be given to the public with a larger staff.

Q. How is it that the Customs parcels are brought over to the Customs building from the post office? A. They are located in this building. It would be more con-

venient I suppose to have them in our building so that the parcels man could dispose of them each morning.

Q. How many men have you now? A. We have 35, I think.

Q. How many more would you require to make the service efficient? A. The staff estimates that we would require ten more. That is in the clerical staff. We have to work on Sunday and we have to send a man out at 5 o'clock to the newspaper offices to weigh newspapers.

Q. How long has the postmaster been here? A. Thirty-eight years.

Q. How old is he? A. He is over 70 years of age.

Q. Who is the assistant postmaster? A. Mr. O'Brien. The registration clerks have refused to take vacations on account of having to work overtime.

Q. Can you explain why you have not a larger staff? A. Yes, I think so. I think our postmaster is excessively parsimonious, and he thinks he can run the post office in this age as it was run thirty or forty years ago.

Q. What is the revenue? A. $100,000 and some odd and the revenue is increasing every year.

Witnesses retired.

John R. Powers, tide surveyor, Customs Department, sworn and examined by Mr. Ducharme:—

Q. We simply called you in to know if you have any suggestions or complaints to make in connection with the service. The object of the inquiry is to find out if the service is being well treated and if you know of any improvements whereby we can have a better service? A. For myself they have treated me very ill. I have got 31 years service. I came in as a tide waiter at $500, and I got $600 and then I got $950, and in 15 years I got one $50 increase to $1,000 under the late government.

Q. How long have you been at that price? A. Since that I have got up to $1,400. I got $200 the first of last month. Two increases since the change of government.

Q. Had you not an increase in 1908? A. I had no increase from 1896 until about 1906 and then I got $50 and nothing more until the change of government.

Q. Were there increases in some of the departments? A. Others were pretty nearly as bad as I was but I was the worst.

Q. You have been a tide surveyor since when? A. Since the 1st of January this year, when I was appointed at $1,200 and then I got an increase of $200.

Q. What salary did the former tide surveyor get? A. $1,200. He was a very aged man who was put in here for political reasons. They took him off the street and he has been put back as a clerk at $1,200.

Q. Have you any other complaint or suggestion to make? A. The improvement we require is more men. We got three or four the other day but we are still short on outdoor officers. We want more men to perform the work of the department properly.

Q. Is the work increasing? A. Very much. I do not know if the Customs Department realize the position here. For instance, during the winter season all the through cargo for Montreal, Toronto and the west is handled here. We have to load that cargo, manifest it and forward it, but we do not get the duty for it, the duty is collected at the point to which the goods go subsequently. Consequently they figure up higher in duty while we do the work. In making an estimate of salaries for instance, they make a percentage on the receipts of a port. For instance, our revenue goes for $2,000,000 whereas Montreal last year went to $18,000,000. As a matter of fact we do the work for one-half the year, all the work of importing is done here during the winter and they collect the money and of course the receipts are very great. It should be impressed on the department that it is not fair to make a percentage on the amount of revenue collected at the port.

Q. What about the cost of living? A. The cost of living has increased fifty per cent in twenty years.

Q. And the salaries have increased? A. Not with us. A house that you could get in Halifax for $120 twenty years ago you could not get to-day for $300. A suit that you could get in Halifax twenty years ago for $20 to-day you pay $35 for. Meat cost us 12 cents a pound twenty years ago and is 20 and 25 cents to-day.

Witness retired.

WILLIAM GLEESON, aged 58, sworn and examined by Mr. Ducharme:—

Q. How long have you been in the service of the government? A. About 26 years. I joined the service in January, 1887.

Q. Did you then come into the same department as you are in to-day? A. In the same department but not in the same branch. I came into the Customs Department as a packer.

Q. Now you are? A. An acting landing waiter, preventive officer.

Q. What is your salary? A. $1,000.

Q. You came in at how much? A. $500.

Q. Since when have you got $1,000? A. Four years ago.

Q. Did you get any increase this spring? A. No, sir.

Q. Have you anything to say in addition to what has been said by Mr. Powers? A. No, he has about covered the ground as far as we are concerned. If there is an extra salary attached to any officer he should get it at $50 a year.

Witness retired.

The Commission adjourned.

HALIFAX, N.S., WEDNESDAY, July 31, 1912.

G. N. DUCHARME, Esq., Commissioner, held a sitting at the Custom House at 10 o'clock this morning.

ARTHUR LOVETT, aged 40, sworn and examined by Mr. Ducharme:—

Q. Your position? A. I am landing waiter and clerk in the Custom House, Halifax.

Q. How long have you been in the department? A. Since 1898. I was in the Marine Department for some ten months previous to that.

Q. To whom do you report? A. To the surveyor and tide surveyor of course.

Q. Have you any suggestions to make as to the efficiency of the department? A. No, I have no suggestions to make. As far as I know everything is going on quietly, peacefully and systematically and as the department would have it go.

Q. There is no delay? A. I know of none. I have charge of the manifesting work at deep water terminals. Of course we handle a large amount of business there during the winter.

Q. You have reports to make? A. I collect the duties. I have charge of the service. I make entries and pay in everything at the port of St. John, get my receipts for it and return by train.

Q. What would your receipts amount to a year? A. Last year we had twelve trips and it was about $1,300, dutiable goods with passengers, small things. We had the chief inspector, Mr. Busby, here last week and he said that everything was creditable in the highest degree. I was trying to get transferred from the deep water terminals into the office as clerk but that arrangement has not been made.

Q. Do you think that the enforcement of the customs laws here is sufficiently vigilant to prevent smuggling? A. I think so. The customs system at the port of Halifax is as good if not better than at any other port in Canada. We have an entirely different system at Halifax which has been handed down by an old English custom law, and through that fact we are able to say it is unusually good.

Witness retired.

The Commission adjourned.

St. John, N.B., Monday, August 5, 1912.

G. N. Ducharme, Esq., Commissioner, presiding.

The following deputation representing the Civil Service Association of St. John waited upon Mr. Ducharme at the office of Mr. Scammell this afternoon:—

Hon. A. T. Dunn, Collector of Customs; D. H. Waterbury, superintendent of Public Buildings in New Brunswick; T. H. Belyea, Collector of Inland Revenue; D. L. Hutchinson, Director of the Observatory: G. H. Flood, Agent of the Marine Department; James Barry, Inspector of Weights and Measures; P. C. Sharkey, Warfinger, Government pier.

Hon. Mr. Dunn on behalf of the Association read the following memorandum:—

"St. John, N.B., August 3, 1912.

"The Civil Service Association of St. John in session,—

"Resolved, that it is desirable to lay before the government through the Commission the views of the Association on the question of superannuation, which are in substance that, in the interest of the government as well as the Civil Service, some good general system of superannuation is an urgent necessity tending to a better class of officials, better service and conditions in every way.

"Reference is asked to articles on the subject published in the *Civilian*, also to the late presentation of the matter to the government by the Civil Service Confederation of Canada, which this Association desires to endorse.

Statutory increases.

"The question of statutory increases is one which this Association desires to impress on the government as urgently necessary for consideration and improvement in the system, the present system of procedure dealing unfairly with deserving officials. We desire to call attention to the fact that several departments have a regularly statutory increase system, while others, such as the Customs, certain branches of the Inland Revenue, namely, weights and measures, gas inspection, &c., divisions of the Marine and Public Works Departments, &c., have no such system.

Income tax.

"We particularly desire to draw the attention of the Commission to the fact that in the city of St. John the government officials are taxed nearly two per cent on their salaries, including the amount deducted for superannuation and retiring allowance, and as this city is singular in this respect— other localities having little or no income tax— the officials here feel that they are placed at a great disadvantage which should be remedied in some way.

Inside and Outside service.

"We desire to impress on the Commission that remedial action is urgently desirable in the interests of the government and its service, in the matter of distinction of Inside and Outside services, so called. There appears to be a distinction and discrimination unnecessary and unjustifiable and injurious to the general service and work of the government.

"*The high cost of living* and the steadily increasing cost is within the knowledge of the government and so apparent that this Association feels it necessary only to mention the matter at present to the Commission."

Mr. BELYEA.—In speaking about superanuation I think that the officials generally of the outside service would favour the system or something similar to the system of the Intercolonial railway. For instance, under the old system civil servants paid a fixed amount of their salaries each year into the superannuation fund. If they died while they were in the service their heirs got nothing out of it, they simply paid into a superannuation allowance and if they died in the service they got nothing in the same. I think the Superannuation Act should provide that in the case of the death of a civil servant while in the government employ the amount of money which the civil servant has paid in from year to year should go to his heirs or his estate just as if he had money in the bank, and, I think any Superannuation Act that would be passed should be very much better than the old one.

Mr. DUCHARME.—Do you take into consideration that the Superanuation Fund is based on a certain amount of income to cover a certain amount of expenditure and that if the man who died or rather his heirs are to withdraw the money he has paid in that will necessitate the making of the constitution higher?

Hon. Mr. DUNN.—Yes, you are quite right there.

Mr. WATERBURY.—Which is the mistaken idea, it does not tend to good service, that is with reference to the character of the people who are brought into the service. It is doubtful if the Intercolonial system is the best. I felt too if having the Superannuation system self-supporting is to the advantage of the government. Of course the system that maintains now, that when a man dies everything goes, is unfair and a good system should provide that something should go to his widow, and that I understand the Power's Bill provided, that Bill in fact was a very good Act. We might talk for a month and would not be able to say anything better than has been presented already to the government in that Bill. The Association here is unanimous in favour of a good general system of superannuation.

Mr. DUCHARME.—Would it not cover the ground better if you said that you wanted all employees of all departments to be on the same footing? It might not be a superanuation system.

Mr. WATERBURY.—It is the most absurd thing now. I cannot find anybody to tell just what the Civil Service Act means except that the inside service is supposed to be permanent.

Hon. Mr. DUNN.—In the Customs the man who has a pull gets an increase, the man who has not any may be there for 15 years without getting any.

Mr. DUCHARME.—In the outside service there is no promotion?

Hon. Mr. DUNN.—We have cases in the department of men having been in for 35 years. In the 35 years they have never got to the maximum of their class and simply by the pull of some other official the other official gets an advance ahead of the officer over him in authority.

Mr. DUCHARME.—That is done very often?

Mr. HUTCHINSON.—There should be yearly increments in every division which is not now the case in the outside service.

Hon. Mr. DUNN.—Suppose a man enters the service and the limit of his class is $2,200. Supposing he is getting $1,400 and he only gets $50 increase a year it would take him 14 years to get him up to his limit. After he has been in the service for five years he will be as good as he will ever be. Then if he is not up to his work dismiss him.

Mr. DUCHARME.—You refer here to the income tax. I understand by income tax that the city of St. John taxes the salary of the civil servants of the Dominion residing here. What can we do with that?

Mr. HUTCHINSON.—You cannot do anything. You have a right to vote, it is for you to elect aldermen to protect you.

Mr. SHARKEY.—I think the Dominion government might settle that stating that all government employees should be exempt from an income tax, they are on the

same list as we will say soldiers, and the local authorities would not be allowed to tax them. I am taxed on income in both the city of St. John and the county.

Hon. Mr. DUNN.—In Halifax there is no tax on income so the officers there are entirely free. In Toronto I think they are exempt on anything under $1,000. Our grievance is that we have to pay taxes not only on what we receive from the government but also on the Retirement Fund.

Mr. BARRY.—It might be possible for the government to take into consideration in paying our salaries that we have to pay income tax.

Mr. WATERBURY.—We know of doctors and lawyers who make three times our income and they are not taxed one-half as much.

Hon. Mr. DUNN.—Formerly they imposed higher valuation on our property.

Mr. WATERBURY.—That still exists in some cases. I bought a piece of property which was taxed at $1,600 and I bought it for $1,601. When my tax bill came in I was assessed $2,500. I spoke to the assessors about it and they said you Civil Service fellows we have to get at you in some way.

Mr. BARRY.—The government is fully aware that the cost of living, especially in cities, is very much higher than it was, and if the government is only good enough to increase our salaries so that we can live, that is all there is to it. Rents have increased 25 per cent in the last few years.

Mr. DUCHARME.—You have been speaking of your salaries and positions. I would like to hear a little now in favour of the government of the country. Do you know of any suggestions whereby the service could be improved in any manner? For instance in the different departments that you are in are you satisfied with the method of conducting business, for instance, or the demand for stationery and supplies are filled as promptly as they could be, or is there any cause for complaint or friction?

Hon. Mr. DUNN.—I would say this, so far as the Customs is concerned. An appointment is made, I know nothing about the appointment until I get a letter from the department saying that so and so has been appointed, give him notice and have him sworn in. I do not know until I meet him what part of the service I can put him in, I have to test him first. He might be a first class clerk or he might be in some business that would render him unsuitable for a position of any kind. I would like to keep my department right up to the highest state of efficiency.

Mr. DUCHARME.—And you cannot because you have no control of appointments?

Hon. Mr. DUNN.—Yes. We all know that no matter which government is in it is political interference of those who cater at the elections and gather votes for the candidates. They seem to say that this fellow worked at the polls and we must put him in.

Mr. DUCHARME.—Bringing the outside service into the inside service would regulate that?

Hon. Mr. DUNN.—Yes, and when there are men who have not pluck enough to go up for examination.

Mr. SHARKEY.—In our department one matter that seems to be a serious grievance is in regard to the payment of wages. The wages are due on the first day of each month and it is never earlier than the 10th to the 16th that they are paid.

Mr. FLOOD.—In the Marine Department we telegraph on the first of the month our pay roll and a transfer is made by telegraph that same day. Then we issue cheques in payment of any wages, &c.

The deputation withdrew.

The Commission adjourned.

EXHIBIT No. 1.

(Referred to in the evidence of Mr. A. P. Calderwood.)

CUSTOMS, CANADA, PORT OF VICTORIA, B. C., July 24, 1912.

To the Public Service Commission,
Victoria, B.C.

SIRS,—We, the officers employed at the wharfs and railway stations at Victoria, B.C., respectfully request that the hours of labour should be from 8 a.m. to 5 p.m.

All civic employees work eight hours per day, also the provincial government employees. Eight hours constitute a day's work for the majority of trades, and in government contracts eight hours is specified as a day's work.

(Signed) FRANK ARMSTRONG.
F. J. MORRISON.
J. H. McLAUGHLIN.
JOSEPH DAKERS.
T. I. BURNES.
S. W. EDWARDS.
D. SHANLEY.
E. A. AUSTIN.
DUNCAN BAIN.
A. C. BRYCE.
C. A. BURNES.

DEPARTMENT OF CUSTOMS, CANADA, OTTAWA, Dec. 28, 1911

Memorandum to the Collectors of Customs at city ports in Canada.

Hours of Service in the Long Room, Custom Warehouses and Stations.

In the long room, on business days except on Saturdays entries are to be received up to 4 o'clock p.m. and are to be checked and closed up the same day as far as practicable—the clerks to remain on duty for this purpose until 5 p.m. unless sooner relieved from duty by order of the officer in charge. Cashiers are to accept duties up to 4.30 p.m. in respect of Customs entries previously checked.

In the examining warehouse each day's work must be completed by the staff remaining until 5 p.m. or later, if necessary.

The hours for landing waiters and other outdoor officers are from 8 a.m. until 6 p.m. on all business days.

(Sgd.) JOHN McDOUGALD,

Commissioner.

VICTORIA, B.C., July 23, 1912.

Scale showing monthly cost of living for two persons:—

Rent—6-roomed house outside one mile limit	$35 00
Groceries	25 00
Fuel	6 00
Milk, one quart daily	4 00
Light	2 00
Water, minimum charge	1 25
Meat	10 00
Total	$83 25

Wages.—Minimum city wage for ordinary labourers, $3 per diem, skilled labour in proportion.

Recommendations made by the Customs Department to the Public Service Commission, July 23, 1912.

First.—That a superannuation scheme be adopted by the government, with a definite compulsory age for retirement, in order that the congested condition of the department be relieved.

Second.—That the outside service be brought under the Civil Service Act.

Third.—That annual increases in salary be made automatic.

EXHIBIT No. 2.

(Referred to in the evidence of Mr. W. P. Winsby.)

Statement showing comparisons of retail prices in 1905 and 1912 for groceries, in the city of Victoria, B. C.

June, 1912.	June, 1905.
Butter, 40c. to 50c. per lb.	Butter, 25c. to 35c. per lb.
Fresh eggs, 45c. per dozen.	Fresh eggs, 30c. per doz.
Hung. flour, $1.95.	Hung. flour, $1.75.
Ham, best, 24c. to 27c. per lb.	Ham, 22c. to 25c. per lb.
Pastry flour, $1.85.	Pastry flour, $1.50.
20 lbs. sugar, $1.45.	20 lbs. sugar, $1.25.
Bacon, best, 24c. to 34c. per lb.	Bacon, 18c. to 25c.
New spuds, 5c. per lb.	New spuds, 3c.
Jap. rice, No. 1, 7c. per lb.	Jap. rice, 7c. per lb.
Tapioca, 8c. per lb.	Tapioca, 8c.
Sago, 8c. per lb.	Sago, 8c.
Onions, 5c. per lb.	Onions, 3c. per lb.
Beans, 6c. per lb.	Beans, 5c. per lb.
Old spuds, $2.50.	Old spuds, $1.
Can. corn, 12½c. each tin.	Can. corn, 10c. tin.
Can. peas, 15c. each.	Can. peas, 10c. tin.
Can. tomatoes, 2½s., 15c. each.	Can. tomatoes, 3s., 12½c
Roll. oats, 7 lbs., 40c.	Roll. oats, 7 lbs., 35c.
Smoked salmon, 20c. per lb.	Smoked salmon, 15c.
Lard, 20c. per lb.	Lard, 15c. per lb.
Oat meal, 10 lbs., 50c.	Oatmeal, 10 lbs., 45c.
Corn meal, 10 lbs., 35c.	Cornmeal, 10 lbs., 30c.
Two pkgs. wheat flakes, 4 lbs., 25c.	Two pkgs. wheat flakes, 25c.
12 ozs. Prices B. powder, 40c.	12 ozs. Prices B. powder, 35c.
Laundry soap, 5c. for 8 oz. bar.	Laundry soap, 5c. a cake.
22 cakes Sunlight and Lifebuoy Soap for $1.	Sunlight and Lifebuoy soap, 20 cakes for $1.
Laundry starch, 12½c. per lb.	Laundry starch, 10c. per lb.

(Signed) WM. B. HALL.

Statement showing comparison of retail prices for meats in 1906 and 1912, in the city of Victoria, B. C.

	1906.	1912.
Loins beef	15 –18	22 –25
Ribs beef	12½–15	15 –20
Round beef	12½	18
Loin steaks	15 –18	22
Round steaks	12½	18
Sh. steaks	10	12½–15
Rp. beef	10 –12½	15 –18
Bg. beef	8	8 –12½
S't. roasts beef	8 –10	10 –12½
Corn beef	8	8 –12½
Legs mutton	15 –18	20 –25
Loins mutton	15	20
Ribs mutton	12½	17
Sh. mutton	10	12½
Legs pork	15	20
L. pork	15	20
Sh. pork	12½	15
Legs veal	18	25
L.	18	25
Sh.	12½	17

(Signed) LAWRENCE, GOODACRE & SONS,
Butchers and packers, Victoria, B. C.

EXHIBIT No. 3.

(As referred to in the evidence of Mr. C. Sivertz.)

VICTORIA, B.C., July 24, 1912.

R. S. Lake, Esq.,
Member, Public Service Commission of Canada.

Sir,

Having been informed of your presence in the city and that you were willing to receive presentment on questions affecting the service and the men engaged therein:

This deputation of and representing the letter carriers desires to lay before you their views regarding the following questions:—

1. Increase in pay, of not less than 50c per day.
2. Annual leave, increasing same to three weeks.
3. Time in different grades, reducing same to one year.
4. Pay during sickness. Annual salary desirable.
5. Supernumeraries required for relief work.
6. Increase in staff of carriers required.

And to request your favourable consideration of same.

I have the honour to be, Sir,

Sincerely yours,

(Signed) CHRISTIAN SIVERTZ.

Secretary.

EXHIBIT No. 4.

Statements referred to in the evidence of Mr. A. J. Dallain, Victoria, B. C. Agency of Department of Marine and Fisheries, Victoria, B. C.

B. C. AGENCY.

1906-1907—Number of Persons Employed.

Agent	$117 60
Chief clerk	75 00
Stenographer	33 33
Two clerks	$60 and 80 00
Superintendent of lights	100 00
Lighthouse erector	70 00
Two extra men employed by the day as labourers	

1911-1912—Number of Persons Employed.

Agent	$233 33
Chief clerk, accountant and B.C purchasing agent	133 33
Clerk	83 33
Bookkeeper	75 00
Stenographers—	
Miss Gaudin	54 16
Miss Lyall	45 87
Miss Le Page	41 66
Junior clerk	41 66
Resident engineer	175 00
Foreman of Works	100 00
Wharfinger	75 00
Supt. of Lights and District Inspector of Life Saving Stations	$133.33 and 33 33
Lighthouse erector	100 00
Gas buoy inspector	90 00
Assistant gas buoy inspector	75 00
Night watchman	60 00
One man employed on wharf	70 00

Agency of department of Marine and Fisheries.

B. C. AGENCY.

Victoria, B.C., July 26, 1912.

LIGHTHOUSE DATA.

	1907	1912
Number of lighthouses	52	68

Difference in salaries according to classifications.

	1907.	1912.
1st class ..... per annum (max.)	....	$2,900
2nd " " "	....	2,160
3rd " " "	$1,200	1,770
4th " " "	....	1,470
5th " " "	....	1,320
6th " " "	600	1,170
7th " " "	500	1,020
8th " " "	....	900
9th " " "	....	780
10th " " "	....	660
11th " " "	360	570
12th " " "	300	480
13th " " "	240	390
14th " " "	180	330
15th " " "	150	270
16th " " "	120	210
17th " " "	120	120

BUOY AND BEACON DATA.

	1907	1912
Number of buoys and beacons (*Approximately*)	650	850-(*Including 63 unwatched lights* estbd. since 1907.

Offices, officials, &c., under the supervision of the B.C. agency Department of Marine and Fisheries, Victoria, B. C.

Sub-agency, (marine depot) Prince Rupert, B. C.
Port wardens.
Harbour masters.
Foreshore applications and collections.
Wharfingers.
Boiler and hull inspectors.
Life saving stations.
Port physicians.
Auditing of the B. C. pilotage.
Books.
Shipping masters.

AGENCY OF DEPARTMENT OF MARINE AND FISHERIES.

B. C. AGENCY.

Lightships.

Unless damaged so as to need repairs the lightship in British Columbia remains on duty the whole year round. The lightkeeper has no holidays granted him. If he leaves the ship for a few days he must pay the services of an efficient and able-bodied man for a substitute. He is further required out of his salary of $1,470 to pay for his own board and pay for the services of an able-bodied man for an assistant, and pay the assistant's board.

In the Bay of Fundy the Lurcher Shoal lightship, being equipped with power, has at least 7 men of a crew, who are all paid by the department.

No lightkeeper is allowed leave of absence without permission from the agent and must provide a capable man to take his place during such absence from station. The person so placed in charge must be paid by the lightkeeper.

Lightkeepers in British Columbia are not supplied with anything for their own use outside of one cook stove.

Lightkeepers on the American side are supplied with fuel, uniforms, library and gramaphone.

In 1907: 1 lighthouse tender.

In 1912: 2 lighthouse tenders, and another being built in the east for the B. C. Agency.

1 extra steamer under charter.

Recapitulation.

1906-07	$136,000
1911-12	352,000

SESSIONAL PAPER No. 57

DEPARTMENT OF COMMERCE AND LABOUR.

LIGHTHOUSE SERVICE.
OFFICE OF INSPECTOR,
17TH DISTRICT,
PORTLAND, ORE., July 30, 1912.

Mr. Gordon Halkett,
Inspector of Lighthouses,
Victoria, B.C.

Sir,—

Replying to yours of the 25th instant I have to state that the following is the schedule of rates of pay of keeper in this district, per annum.

Keeper	$750
First assistant keeper	600
Second assistant keeper	540
Third assistant keeper	540
Fourth assistant keeper	540

Some years ago the rate for newly appointed keepers was made $750 instead of $800, consequently, we still have a number in the service at the latter figure.

Tillamook Rock Light Station is the only one with five keepers, and the rates are $1,000, $800, $600, $540, and $540 respectively.

Destruction Island and Cape Flattery Light Stations each have four keepers with rates of pay of $900, $720, $600, and $540 respectively.

In addition to the foregoing each keeper and assistant keeper has a ration allowance of thirty cents a day which is paid in cash.

Respectfully,

(Signed) HENRY L. BECK,

Inspector.

Salaries paid Masters and Engineers on Government Boats, Department of Marine and Fisheries, per month, as compared with C.P.R. Boats on the Pacific Coast.

Officers.	C.G.S. *Quadra.*	C.G.S. *Newington.*	C.P.R. Boats — Freight.	C.P.R. Boats — Passengers.
Master	$ 125 00	$ 100 00	$ 135 00 to $ 175 00	$ 160 00 to $ 200 00
1st Officer	80 00	75 00	80 00 to 100 00	80 00 to 125 00
2nd Officer	60 00			60 00 Maximum
Chief Engineer	120 00	100 00	115 00 to 125 00	135 00 Maximum
2nd Engineer	98 00	80 00	70 00 to 80 00	95 00 to 100 00
3rd Engineer				75 00 to 90 00

EXHIBIT No. 5.

Statement showing frequency of changes in clerical staff, as referred to in the Evidence of Mr. G. Phillips.

NAVAL STORE DEPARTMENT, ESQUIMALT DOCKYARD.

MEN ENTERED TO FILL VACANCIES.

Date.	Name.	Remarks.
1912.		
April 11	Mr. Gettings	Entered 11th April, resigned same day.
" 11	Mr. Ruffe	Entered 11th April, resigned 6th May.
" 15	Mr. Cooney	Entered 15th April, left same forenoon, saying he had changed his mind.
" 22	Mr. Hill	Came down to accept appointment but telephoned later same day declining it.
" 24	Mr. Thomas	Entered 24th April, but, after twice postponing his date of taking up appointment, did not turn up and was no more heard of.
" 26	Mr. McCallum	Entered 26th April, stayed one day, and left without notice.
" 28	Mr. Hughes	Entered 30th April. Resigned on 21st May to take up better paid appointment under Provincial Government.
May 8	Mr. Wood	Entered 8th May. Left 1st June without notice.
" 14	Mr. Johnstone	Entered, but did not take up appointment. Resigned same day.
" 17	Mr. Moss	Entered 21st May. Resigned 17th June.

EXHIBIT No. 6.

Copy of Petition presented to the Dominion Government in 1910 and again in 1912

DOMINION CIVIL SERVANTS' ASSOCIATION OF BRITISH COLUMBIA.

By instruction of the Dominion Civil Servants' Association of British Columbia, we, the undersigned, most respectfully beg that your government will be pleased to give kind and early consideration to the following representations, which are made in behalf of Civil Servants in the west, and in the interests of members of the outside Civil Service generally:—

Whereas, your faithful servants of the outside service have from time to time, during the past six years, brought to your notice the unhappy condition in which the smallness of their salaries and the great advance in the cost of living here combined to place them, and

Whereas, the Royal Commission, appointed in 1907, having, by proper inquiry, arrived at an appreciation of the needs of your servants, did recommend, amongst other reforms, that suitable increase in salary be granted to members of the outside as well as to the members of the inside service; and

Whereas, your government has been pleased to act upon many of the recommendations of the Royal Commission with regard to the inside service, but beyond giving frequent promises of relief, has done nothing to alleviate the condition of the outside service; and

Whereas, if it be admitted that the members of the inside service were justly entitled to the increase of $150 each, paid to them from the 1st September, 1908, it must also be admitted that the members of the outside service, subject to the same, and in the west to harder conditions, are entitled to at least the same consideration; and it then follows that the government has withheld a large sum of money which should have been paid to a numerous, needy and most deserving body of its employees; and

Whereas, the general public, and, to a great extent, the press of the country, not properly understanding the distinction between the outside and inside branches of the service, are of the opinion that the Civil Service Amendment Act of 1908 and the above mentioned increase of $150 provided suitably for the whole service, and are quite ignorant of the fact that these benefits are participated in by comparatively few, and that by far the greater number of the servants of the government are in receipt of salaries which have not been revised or readjusted for many years, notwithstanding that salaries and wages in all other trades and professions have, during the same period, been many times increased to meet the needs created by the advanced cost of living;

Therefore, your humble servants most earnestly pray that your government will be pleased to take immediate steps to place the members of the outside service upon a parity with their brethren of the inside service, first by granting them a flat increase, which, it is respectfully submitted, should, on account of its having been so long delayed, be at least $200 each; secondly, by granting a liberal extra allowance to all civil servants employed west of the Great Lakes, without respect to rank or salary, in order to offset the higher cost of living in the west; and thirdly to extend the provisions of the Civil Service Amendment Act of 1908 to the whole service, at the earliest possible date. With regard to this last, however, we respectfully submit that, in our poor judgment, in order that no injustice may be done to those now in the service, any restriction or limitation on promotion from any division or class in the service to the next higher division or class, should apply only to those who enter the service after the date of the Act of Parliament, order in council or regulation of the Civil Service Commission imposing such restriction or limitation. We therefore beg that, under the new order of things which we trust may be soon established, any person now in the service who may be recommended for promotion to a higher class or division shall be required to pass no examination other than an examination on the duties of the office for which he has been recommended.

Lastly, we earnestly pray that there may be established as soon as possible a system of superannuation upon a plan similar to that recommended by the Royal Commission.

That the above representations, which we feel cannot be deemed other than reasonable and moderate, may engage the early attention of your government, is the humble petition of your faithful servants.

And your petitioners will ever pray.

(Signed) JOHN R. GREENFIELD, *President.*
F. R. GREER, *Vice-President,* Vancouver.
D. B. McCONNON, *Vice-President,* Victoria.
GEO. KENNEDY, *Vice-President,* New Westminster.
W. F. TRANT, *Secretary-Treasurer.*

EXHIBIT No. 7.

(Referred to in the Evidence of J. M. Bowell.)

Statement of salaries paid to the heads and clerical staff of Civic Departments in Vancouver, B.C.

July 30, 1912.

J. M. Bowell, Esq.,
Collector of Customs,
Vancouver, B.C.

Dear Sir,—

As requested by you in our conversation yesterday having reference to the salaries paid to the different city officials. I may state that they are paid as follows:—

City Comptroller	$4,250	per annum.
City Treasurer	3,000	"
City Accountant	3,250	"
Superintendent of Waterworks	3,000	"
City Solicitor	6,000	"
City Engineer	8,000	"
Chief Constable	4,500	"
Chief of the Fire Dept.	4,000	"

Routine clerks run as follows:—

1st year	$80	per month.
2nd year	85	"
3rd year	90	"
4th year	100	"

Chief clerks are paid from $125 to $150 per month.
Hoping this will be satisfactory and give you the necessary information.

I remain,

Yours very truly,

(Signed) R. G. CHAMBERLAIN,
Chief Constable.

EXHIBIT No. 8.

Dealing with matters referred to in the evidence of Mr. J. H. Hawke.

VANCOUVER, B.C., August 29, 1912.

Public Service Commissioner:—

Since your visit to this city in your official capacity, we the Custom nightwatchmen received the following information from the Treasury Department of the United States Custom Service at the subport of Seattle, Washington, regarding conditions in the same branch of the service there (known as night inspectors).

They are paid three dollars (3) per diem with Sundays and holidays reimbursable at the expense of the party accommodated, this overtime is additional to the regular salary of officer.

Employees are also allowed thirty days annual leave (exclusive of Sundays and holidays) in one year, but in this district the men rarely receive more than fourteen days, in addition thirty days sick leave is allowable.

We also think that we should be entitled to our allowance for clothing half-yearly same as the day men, as our duties require us to wear more expensive clothing on account of the severe weather in the winter time.

Yours respectfully,

CUSTOM NIGHTWATCHMEN,

per (Signed) J. H. HAWKE.

EXHIBIT No. 9.

Referred to in the evidence of Mr. J. W. Harvey.

British Columbia Penitentiary,

NEW WESTMINSTER, B.C., August 12, 1912.

SIR,—I have the honour to enclose herewith the following documents as requested by you while in New Westminster, on August 1, last:—

List of salaries paid by the Provincial Gaol, New Westminster.

List of salaries paid by the City of New Westminster to police force.

List of salaries paid by the Public Hospital for the Insane, New Westminster.

List of salaries paid by the City of Vancouver to police force.

I have the honour to be, sir,

Your obedient servant,

(Signed) JAMES W. HARVEY.

R. S. LAKE, Esq.,
Public Service Commission,
Ottawa, Ont.

List of salaries paid by the Provincial Gaol, New Westminster, B.C., as taken from the estimates of the revenue and expenditure of British Columbia for the fiscal year ending March 31, 1912.

Warden	$100 00	per month.
Goaler	81 00	"
Goaler	75 00	"
Convict guard	81 00	"
Convict guard	75 00	"
Convict guard	75 00	"
Three convict guards (each)	75 00	"

NOTE.—The hours of duty constitute an eight hour day.

List of salaries as paid by the City of New Westminster, B.C., as at August 5, 1912.

Constables—

First year	$75 00	per month.
Second year	80 00	"
Third year	85 00	"
Fourth year	90 00	"

List of salaries paid by the Public Hospital for the Insane, New Westminster, B.C., as at August 5, 1912.

Medical superintendent	$235 00	per month.
Assistant superintendent	165 00	"
Bursar	146 00	"
Assistant bursar	95 00	"
Analyst	99 00	"
Steward	85 00	"
Engineer	90 00	"
Gardener	80 00	"
Farmer	75 00	"
Plasterer and mason	75 00	"
Carpenter	75 00	"
Tailor	75 00	"
Baker	80 00	"
Cook	90 00	"
Painter	75 00	"
Chief attendant	86 00	"
Matron	105 00	"
Laundryman	78 00	"
Plumber	75 00	"
Farm superintendent	110 00	"
Farm bookkeeper and recorder	100 00	"
Cattleman	95 00	"
Farm steward	80 00	"

Male nurses or attendants $40 to $55, together with board, room and uniforms.

Female nurses $25 to $40, together with board, room and uniform.

NOTE.—All above officers and mechanics receive two meals per day and one uniform per year free of charge.

As certified to by G. E. Doherty, *Medical superintendent.*

LIST of Salaries paid by the City of Vancouver, B.C., as at August 5, 1912.

Chief constable	$4,500 00	per annum.
Deputy chief	3,000 00	"
Chief inspector	2,400 00	"
Staff inspector	2 000 00	"
Inspectors	1,800 00	"
Sergeant of detectives	125 00	per month.
Sergeants	115 00	"

Detectives, $115 per month and $5 additional for clothing allowance.

1st class constables	105 00	per month.
2nd class constables	95 00	"
3rd class contables	85 00	"
4th class constables	80 00	"

One year's service is required for advancement from one class to another.

As certified by,

(Signed) R. CHAMBERLIN,

Chief Constable.

EXHIBIT No. 10.

Referred to in the evidence of Mr. J. E. Johnson.

STATEMENT of Amounts paid for Groceries and Meat in London from May, 1910, to April, 1911; and in Calgary from December, 1911, to July 31, 1912.

London.			Calgary.		
	Groceries.	Meat.		Groceries.	Meat.
	$ cts.	$ cts.		$ cts.	$ cts.
May, 1910	18 98	5 27	Dec, 1911	25 75	9 60
June, "	14 94	5 17	Jan., 1912	26 00	8 75
July, "	25 00	5 60	Feb., "	16 10	8 05
Aug., "	18 64	6 50	Mar., "	22 30	8 95
Sept., "	17 73	5 47	April, "	25 00	10 35
Oct., "	23 18	4 56	May, "	27 65	9 05
Nov., "	18 21	6 77	June, "	25 50	6 20
Dec., "	15 86	4 22	July, "	31 30	6 50
Jan., 1911	19 65	6 55			
Feb., "	12 53	6 54			
Mar., "	11 91	5 96			
April, "	11 65	6 72			

NOTE.—From May, 1911, to December 11, paid cash and no record of payments are to hand.

(Signed) J. E. JOHNSON,

Railwoy Mail Clerk.

Prices of necessary articles of living in Calgary, 1912, compared with prices in London, Ontario, 1910.

	Calgary, 1912.	London, 1910.
	$ cts.	$ cts.
Coal, hard	8 75	6 50
" soft	6 00	3 00
Flour, 24 lb. sack	1 00	0 90
Bread (Calgary, 2 lbs.), (London, 20 ozs)	0 10	0 05
Butter, per lb	0 35	0 25
Eggs, per doz	0 35	0 22
Fish, fresh	0 15	0 12
Meats—		
Beef, Rib roast, per lb	0 22	0 18
Steak, sirloin	0 25	0 20
" rump	0 15	0 12½
Pork, Tenderloin	0 45	0 25
Chops	0 22	0 15
Lamb, Chops	0 25	0 18
Leg	0 35	0 25
Shoulder	0 25	0 18
Mutton, Chops	0 20	0 15
Ham, per lb	0 30	0 20
" cooked, per lb	0 40	0 35
Bacon, per lb	0 30	0 20
Fowl	0 25	0 15
Chickens	0 30	0 20
Vegetables—		
Potatoes (new) per bush	1 65	1 00
Cabbage (6 lbs)	0 25	.....
" (1 doz)	.....	0 50
Tomatoes, per lb	0 20	0 08
Canned Goods—		
Tomatoes (2 cans)	0 35	0 30
Corn, peas, &c. (2 cans)	0 30	0 25
Fruits, 30 per cent higher in Calgary	.....	.....
Milk, per quart	0 08	0 06
Biscuits, sodas, &c., 20 per cent higher in Calgary	.....	.....
Clothing, shoes, &c., 20 per cent higher in Calgary	.....	.....
Furniture, 25 per cent higher in Calgary	.....	.....
House rents, say 6 roomed house per month	45 00	18 00

Prepared by J. E. Johnson, Railway Mail Clerk, formerly of London.

EXHIBIT No. 11.

Referred to in the evidence of Mr. D. Dyer.

STATEMENT *re* Cost of Living, showing comparative prices of Groceries, &c., in 1905 and 912, at Edmonton.

——	August, 1905.		August, 1912.	
	cts.	cts.	cts.	cts.
Butter	12½	15	35	40
Eggs	15	20	30	35
Beef	6	9	9	18
Poultry	10	12½	18	25
Rents	$25	$30	$50	$75

EXHIBIT No. 12.

Referred to in the evidence of Mr. H. T. Cross.

Statement showing ordinary living expenses for an average family in Regina.

Rent (six roomed house)	$45 00
Coal, 1 ton soft	9 00
Wood, ¼ load at $8	2 00
Bread, 18 loaves $1	2 00
Milk, 8-10 qts., $1	4 00
Meat, 3 joints weekly, average 4 lbs. at 20 cents	9 60
Fish, 50 cents weekly	2 00
Groceries, about	15 00
Fruit and vegetables	4 00
Sugar, 20 pounds, $1.35-2	2 70
Flour, 50 pound bag, $1.90	1 90
Lighting rate, average	1 75
Water rate, average	1 75
Eggs, 8 doz. at 30 cents	2 40
Butter, 16 pounds at 30 cents	4 80
Total (Monthly)	$107 90
For winter months, 1 ton hard coal, furnace at $13.50 for 5 months	$ 67 50
Boots and shoes, clothing, &c., estimated about	300 00
Life insurance	121 90
Incidental expenses, about	200 00
Table expenses, &c., for 12 months at $107.90 (as above)	1,294 80
Total yearly expenses	$1,984 20

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